



**BRNL/CS/2022-23/23**  
**3rd September, 2022**

**BSE Limited**  
Phiroze Jeejeebhoy Towers  
Dalal Street, Mumbai - 400 001  
**(BSE Scrip Code: 540700)**

**National Stock Exchange of India Limited**  
Exchange Plaza, 5th Floor, Plot no. C/1,  
G Block, Bandra-Kurla Complex,  
Bandra (E), Mumbai - 400 051  
**(NSE Symbol: BRNL)**

**Sub: Intimation pursuant to Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 – Annual Report for the FY 2021-22**

Dear Sir,

With reference to the above, please find enclosed herewith, the Annual Report of the Company for the FY 2021-22 along with Notice of the 15th Annual General Meeting of the Company scheduled to be held on Thursday, 29th September, 2022 at 2:30 P.M. through Video-Conferencing (“VC”) or Other Audio Visual Means (“OAVM”). The deemed venue for the 15th AGM shall be the Registered Office of the Company.

The same is also available on the website of the Company [www.brnl.in](http://www.brnl.in).

This is for your information and record.

Thanking you.

Yours faithfully,

**For Bharat Road Network Limited**

**Naresh Mathur**  
**Company Secretary**  
**FCS 4796**

**Bharat Road Network Limited**

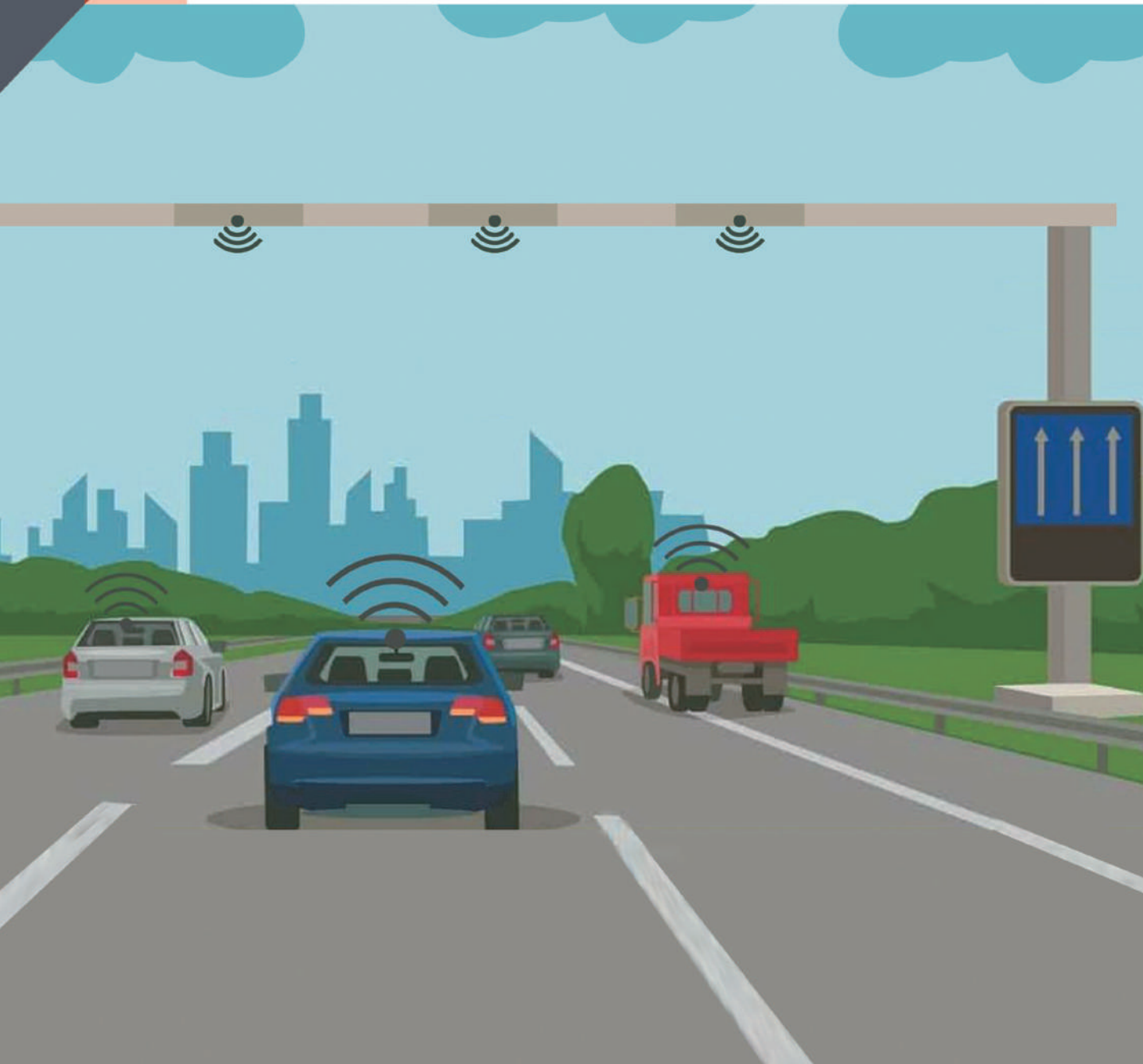
CIN: L45203WB2006PLC112235

**Registered Office:** Plot No. X1 – 2 & 3, Ground Floor, Block – EP, Sector – V, Salt Lake City, Kolkata – 700 091

**Tel.:** +91 33 6666 2700 **Email:** corporate@brnl.in

**Website:** www.brnl.in

Behtar **Raaste...** Badhta **Bharat...**



**BOARD OF DIRECTORS**

Mr. Brahm Dutt	Chairman
Mr. Bajrang Kumar Choudhary	Managing Director
Dr. (Ms.) Tuk Tuk Ghosh Kumar	
Prof. Santanu Ray	
Mr. Praful Tayal	
Mr. Vipin Kumar Saxena (resigned w.e.f. 30th May, 2022)	
Mr. Rakesh Kumar Gupta (appointed w.e.f. 18th August, 2022)	

**BOARD COMMITTEES****AUDIT COMMITTEE**

Mr. Brahm Dutt	Chairman
Prof. Santanu Ray	
Dr. (Ms.) Tuk Tuk Ghosh Kumar	

**NOMINATION AND REMUNERATION COMMITTEE**

Prof. Santanu Ray	Chairman
Mr. Brahm Dutt	
Dr. (Ms.) Tuk Tuk Ghosh Kumar	

**STAKEHOLDERS RELATIONSHIP COMMITTEE**

Mr. Praful Tayal	Chairman
Mr. Brahm Dutt	
Mr. Bajrang Kumar Choudhary	

**CORPORATE SOCIAL RESPONSIBILITY COMMITTEE**

Dr. (Ms.) Tuk Tuk Ghosh Kumar	Chairperson
Mr. Bajrang Kumar Choudhary	
Mr. Praful Tayal	

**COMMITTEE OF DIRECTORS**

Mr. Bajrang Kumar Choudhary	Chairman
Prof. Santanu Ray	
Mr. Praful Tayal	

**CHIEF FINANCIAL OFFICER**

Mr. Chathanur Krishnan Ranganathan  
(resigned w.e.f. 30th July, 2022)

**COMPANY SECRETARY**

Mr. Naresh Mathur

**CORPORATE INFORMATION****CORPORATE IDENTIFICATION NUMBER (CIN)**

L45203WB2006PLC112235

**REGISTERED OFFICE**

Plot X1 – 2 & 3, Ground Floor, Block – EP  
Sector – V, Salt Lake City, Kolkata – 700 091  
Tel : +91 33 6666 2700  
Email : cs@brnl.in; corporate@brnl.in  
Website : www.brnl.in

**STOCK EXCHANGES/LISTING**

BSE Limited (Scrip Code - 540700)  
National Stock Exchange of India Limited (Symbol-BRNL)

**DEPOSITORIES**

National Securities Depository Limited  
Central Depository Services (India) Limited

**REGISTRAR AND SHARE TRANSFER AGENT**

Kfin Technologies Limited  
Selenium Tower B, Plot No- 31 & 32  
Financial District, Nanakramguda  
Serilingampally, Hyderabad, Rangareddi  
Telangana - 500032  
Toll Free No. : 1800 309 4001  
Email: enward.ris@kfintech.com

**STATUTORY AUDITORS**

S. S. Kothari Mehta & Company, Chartered Accountants

**Contents****02**

Directors Profile

**03**

Directors Report

**36**

Report on Corporate Governance

**53**

Standalone Financial Statements

**96**

Consolidated Financial Statements

**Forward looking statements**

In this annual report, we have disclosed certain forward-looking information to enable investors to comprehend our prospects and take informed investment decisions.

This report and other statements - written and oral- that we periodically make may contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance.

We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in our assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should kindly bear this in mind.

We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

# DIRECTORS' PROFILE

**Mr. Brahm Dutt (DIN: 05308908)**

He has been appointed as the Chairman of the Board and Independent Director of our Company since May, 2020. He holds a Master of Science degree in Physics, Master of Arts degree in Economics and a Bachelor's degree in Law. He was a member of the Indian Administrative Service and during his service, he inter alia, served as the Secretary of the Ministry of Road Transport and Highways and the Principal Home Secretary of State of Karnataka.

**Mr. Bajrang Kumar Choudhary (DIN: 00441872)**

He has been a Director on our Board since March 2011 and has been elevated as the Managing Director of our Company since November, 2016. He has completed his Bachelor of Commerce from Shriram College of Commerce, New Delhi and he is an Associate Member of the Institute of Chartered Accountants of India. He is a former Chief Executive Officer - Infrastructure Project Development of Srei Infrastructure Finance Limited, managing portfolio across Roads, Ports, Water and Economic Zones. He has previously served as the "Chairman- Expert Committee on Infrastructure" of Indian Chamber of Commerce. He has an experience of over two decades in Infrastructure Asset Management, Project Development, Project Implementation, Private Equity and M&A.

**Dr. (Ms.) Tuk Tuk Ghosh Kumar (DIN: 06547361)**

She has been an Independent Director of our Company, since October, 2016. She holds Master of Philosophy degree and degree of Doctor of Philosophy in History from the University of Delhi and has been a lecturer there from 1979-1981. She was a member of the Indian Administrative Service of West Bengal Cadre between 1981-2015. She retired in the rank of Secretary, Government of India. Post retirement, she serves on the Board of a few Companies/Authorities in the private and public sector, as well as Academic and philanthropic organisations and commentates on governance issues in the media and public sphere.

**Prof. Santanu Ray (DIN: 00642736)**

He has been an Independent Director of our Company since July, 2019. He is a Fellow Member of the Institute of Chartered Accountants of India (ICAI). He is currently the Mentor, Faculty of Management,

Commerce & Economics and Director, Internal Quality Assurance Cell, Sister Nivedita University, Kolkata. He is serving as an Independent Director across the Board of various listed Companies. In his career spanning for about 47 years, he has served diverse Corporate Entities in various capacities and has also been associated with many of them in the Advisory role. He has conducted large number of management development programs with leading corporates and published several books, research papers and articles. He has also been associated with various academic institutes viz. ICAI Business School (IBS), Kolkata, NSHM Knowledge Campus, NSHM Business School, and B.P. Poddar Institute of Management & Technology and Techno India Group.

**Mr. Praful Tayal (DIN: 00826834)**

He has been an Independent Director of our Company since May, 2020. Mr. Praful Tayal is a Graduate Civil Engineer from M.I.T, Manipal and M. Tech (Naval Construction) from I.I.T., Delhi. He is a former Commander of the Indian Navy. During a span of 42 years, he has worked in many shipyards & dockyards within the Country as well as abroad. He was the Chairman and Managing Director of Central Inland Water Transport Corporation Limited (CIWTC). He has also served as the Technical Advisor of Braithwaite & Co Ltd., A Government of India Undertaking, Ministry of Railways. He was also a Trustee of the Calcutta Port Trust (now SPM Port, Kolkata).

**Mr. Rakesh Kumar Gupta (DIN: 06806891)**

He has been a Non-Executive Non Independent Director of the Company since August, 2022. Mr. Rakesh Kumar Gupta has been an Indian Police Service (IPS) Officer of 1986 batch, West Bengal Cadre and he retired in January, 2021 in the rank of Director General of Police as Head of Directorate of Anti-Corruption Branch, West Bengal. During the service period of about 35 years, he has worked in positions involving administration & governance, law, public service, management, science & technology, coordination & liaison, quasi-judicial functions as Enquiring Officer. He has served as a Director on the Board of Kolkata Police Housing and Infrastructure Development Corporation Limited and West Bengal Police Housing & Infrastructure Development Corporation Limited.

# DIRECTORS' REPORT

Dear Members,

Your Directors have the pleasure in presenting the Fifteenth Annual Report, together with the Audited Accounts of your Company, for the Financial Year ended on 31st March, 2022. The summarized financial performance of your Company is as under:

## FINANCIAL SUMMARY / HIGHLIGHTS:

(₹ In Lakhs)

Particulars	Standalone		Consolidated	
	Financial Year 2021-22	Financial Year 2020-21	Financial Year 2021-22	Financial Year 2020-21
<b>Revenue from Operations</b>	<b>9,124.20</b>	<b>1,910.05</b>	<b>21639.65</b>	<b>20951.99</b>
Other Income	440.96	1,188.51	1032.88	3543.80
<b>Total Income</b>	<b>9,565.16</b>	<b>3,098.56</b>	<b>22672.53</b>	<b>24495.79</b>
Profit/(loss) before Depreciation, Finance Costs, Exceptional items and Tax Expense	(1,814.24)	(1,514.87)	9794.19	8226.10
Less: Depreciation & Amortisation	6.13	4.13	4289.79	3948.15
Profit/(loss) before Finance Costs, Exceptional items and Tax Expense	(1,820.37)	(1,519.00)	5504.40	4277.95
Less: Finance Costs	2,746.32	2,202.38	18214.21	16715.07
Profit/(loss) before share of Profit/(Loss) of Associates, Exceptional items and Tax Expense	(4,566.69)	(3,721.38)	(12709.81)	(12437.12)
Share of Profit / (loss) of Associates	-	-	(13733.18)	(76.01)
Add/(less): Exceptional items	(29,547.63)	-	(14318.05)	-
<b>Profit/loss before Tax Expense</b>	<b>(34,114.32)</b>	<b>(3,721.38)</b>	<b>(40761.04)</b>	<b>(12513.14)</b>
Less: Tax Expense (Current & Deferred)	(1,894.25)	(632.25)	(1894.25)	(631.41)
Profit/loss for the year (1)	(32,220.07)	(3,089.13)	(38866.79)	(11881.72)
Total other Comprehensive Income/loss (2)	(7.61)	5.72	18.55	37.11
<b>Total (1+2)</b>	<b>(32,227.68)</b>	<b>(3,083.41)</b>	<b>(38848.24)</b>	<b>(11844.61)</b>
<b>Profit / (Loss) for the year attributable to:</b>	-	-	-	-
<b>Owners of the Company</b>	-	-	<b>(37631.73)</b>	<b>(11424.15)</b>
<b>Non-Controlling Interest</b>	-	-	<b>(1235.06)</b>	<b>(457.57)</b>
Other Comprehensive Income for the year attributable to:	-	-	-	-
Owners of the Company	-	-	14.96	32.29
Non-Controlling Interest	-	-	3.59	4.82
Total Comprehensive Income for the year attributable to:	-	-	-	-
<b>Owners of the Company</b>	-	-	<b>(37616.77)</b>	<b>(11391.86)</b>
<b>Non-Controlling Interest</b>	-	-	<b>(1231.47)</b>	<b>(452.75)</b>
<b>Balance brought forward from the previous year</b>	<b>115.72</b>	<b>3,199.14</b>	<b>(29053.48)</b>	<b>(17761.63)</b>
<b>Profit/(Loss) available to Owners for appropriation</b>	<b>(32,220.07)</b>	<b>(3,089.13)</b>	<b>(37631.73)</b>	<b>(11424.15)</b>
<b>Appropriations:</b>	-	-	-	-
Dividend	-	-	-	-
Tax on Dividend	-	-	-	-
Adjustment for Other Comprehensive Income: Gain/(Loss)	(7.61)	5.72	14.96	32.29
<b>Balance carried to Balance Sheet</b>	<b>(32,111.97)</b>	<b>115.72</b>	<b>(66670.25)</b>	<b>(29053.48)</b>

Note: The above figures have been extracted from the Standalone and Consolidated Financial Statements of the Company, for the Financial Year ended on March 31, 2022, prepared as per Indian Accounting Standards (Ind-AS).

During the year under review, on a standalone basis, your Company suffered Net Loss before tax of ₹34,114.32 Lakhs, as against Net loss of ₹3721.38 Lakhs in the previous Financial Year primarily due to write off of equity/loans in its Associate Company, Ghaziabad Aligarh Expressway Pvt Limited ("GAEPL") upon sale of your Company's stake in GAEPL. However, the Gross Revenue during the current Financial Year increased to ₹9565.16 Lakhs as against ₹3098.56 Lakhs in the previous Financial Year due to increase in construction revenue.

On a consolidated basis, during the year under review, your Company suffered net loss of ₹40,761.04 Lakhs, as against Net Loss of ₹11,881.72 Lakhs in the previous Financial Year primarily due the reasons as explained for Standalone financials in respect of sale of equity shares of GAEPL. Gross Revenue during the current Financial Year was ₹22,672.53 Lakhs as against ₹24,495.79 Lakhs in the previous Financial Year due to decrease in other income.

Key Financial Ratios in terms of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 are as under –

Particulars	FY 2021-22	FY 2020-21
Current Ratio	1.82	2.59
Debt-Equity Ratio	0.38	0.28
Debt Service Coverage Ratio	(0.05)	(0.04)
Return on Equity Ratio	(33)	(3)
Trade Receivable Turnover Ratio	13.60	2.03
Trade Payables Turnover Ratio	31.08	9.41
Net Capital Turnover Ratio	0.59	0.09
Net Profit Ratio	(353)	(162)
Return on Capital Employed	(28)	(1)
Return on Investment	(4)	(3)

Details of significant changes (i.e. change of 25% or more as compared to the immediately previous financial year) in key financial ratios, along with detailed explanations thereof is as mentioned below –

- Current Ratio has decreased primarily on account of increase in current liabilities mainly other current financial liabilities with decrease in current assets.
- Debt Equity Ratio has increased due to decrease in equity as a result of impairment, fair value losses, write down in financial assets and other restructuring cost.
- Increase interest cost led to change in Debt Service Coverage Ratio.
- Return on Equity has declined due to impairment, fair value losses, write down in financial assets and other restructuring cost.
- Trade Receivable Turnover Ratio improves due to revenue growth, faster collections.
- Trade Payable Turnover Ratio increased due to increase in purchase and creditors.
- Net Capital Turnover Ratio increased due to revenue growth and enhanced working capital efficiency.
- Net Profit Margin has declined due to impairment, fair value losses, write down in financial assets and other restructuring cost.
- Return on Capital Employed has declined due to fall in profitability; and
- Return on Investment has declined due to impairment, fair value losses, write down in financial assets and other restructuring cost.

The Company has adopted Indian Accounting Standards (referred to as "IND AS") notified under the Companies (Indian Accounting

Standards) Rules, 2015 (as amended) read with Section 133 of the Companies Act, 2013 with effect from April 1, 2017 and therefore IND AS issued, notified and made effective till the financial statements are authorised have been considered for the purpose of preparation of these financial statements.

#### **DIVIDEND**

The Company did not have distributable profit during the year under review and hence, the Board of Directors has not recommended any dividend on Equity Shares of the Company for the Financial Year ended 31st March, 2022.

#### **TRANSFER TO RESERVES**

No amount has been transferred to any Reserve during the year under review.

#### **PROMOTERS' GROUP SHAREHOLDING**

As on March 31, 2022, the total shareholding of Promoter Group of your Company stood at 53.76% (previous year 53.76%) in the Paid-up Share Capital of the Company.

As on March 31, 2022, 22.16% (previous year 22.16%) of the Promoters' Group shareholding is under pledge.

In compliance with Regulation 31(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations, 2015"), the entire shareholding of Promoter(s) and Promoter group is in dematerialized form.

#### **PUBLIC DEPOSITS**

Your Company has not invited or accepted any deposits covered under Section 73 of the Companies Act, 2013, read with the Companies (Acceptance of Deposits) Rules, 2014, during the year under review.



## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### I. GROWTH OPPURTUNITITES FROM THE INDUSTRIAL AND ECONOMIC VIEWPOINT

India has the second largest road network in the world, spanning over 6.4 Million kilometers. Over 64.5% of all goods in the country are transported through roads, while 90% of the total passenger traffic uses road network to commute. National Highways and State Highways account for 2% and 3% of the total road network respectively. Development of road networks leads to opportunities for industries to make investments in logistics parks, industrial clusters and corridors.

With the diminishing trail of the world wide pandemic and onset of the new year, India has joined the league of a global alliance which is looking forward to work towards the optimal use of smart technologies. The Government aims to construct 65000 kms of national highways at a cost of ₹5.35 Lakh crore. Under the Union Budget 2022-23, the Government of India has allocated ₹199,107.71 Crore (US\$ 26.04 billion) to the Ministry of Road Transport and Highways. The Government of India has allocated ₹111 lakh crore (US\$ 13.14 billion) under the National Infrastructure Pipeline for FY 2019-25. The Road sector is expected to account for 18% capital expenditure over FY 2019-25. In 2022-23, the Ministry of Road Transport and Highways has been allocated nearly ₹68,000 crore more than the revised expenditure in FY 2021-22. In absolute terms, this is the highest increase (from revised estimates of FY 2021-22) among all ministries in FY 2022-23. Nearly all of this additional allocation has been earmarked for investment in NHAI.

**National Infrastructure Pipeline (NIP)** - Lack of robust infrastructure is often recognised as the primary growth constraint for a developing nation. In India, the government is increasingly looking to the private sector for forging partnerships via effective models for co-working between public and private sectors. The National Infrastructure Pipeline is a step in that direction. To achieve seamless working and productivity in other business sectors and India's ambitious goal to be a USD 5 trillion economy by 2025, strong infrastructure growth is essential. In particular, the success of India's manufacturing sector and the focus on "Make in India" are directly influenced by how strong the backbone of India's infrastructure is. There is a constant need for government intervention, solid funding and constant monitoring of projects. Growing urbanisation, increasing working-age population, shift to a services-based economy and climate change are some of the factors that will require a further boost to India's infrastructure sector and amplify need for the National Infrastructure Pipeline.

**National Monetization Pipeline (NMP)** - NITI Aayog has developed the pipeline, in consultation with infrastructure line ministries, based on the mandate for 'Asset Monetisation' under Union Budget 2021-22. NMP estimates aggregate monetisation potential of ₹6.0 lakh crores through core assets of the Central Government, over a four-year period, from FY 2022 to FY 2025.

The top 5 sectors (by estimated value) capture ~ 83% of the aggregate pipeline value. The top 5 sectors include: Roads (27%), Railways (25%), Power (15%), Oil & Gas Pipeline (8%) and Telecom (6%).

**Pipeline Phasing** - In terms of annual phasing by value, 15% of assets with an indicative value of ₹0.88 Lakh crore are envisaged to be rolled out in FY 2021-22. Detail is as follows:<sup>1</sup>

<b>Roads-</b> ₹1,60,200 crore	<b>NMP Period :</b> 4 Years (FY 22-25)	<b>Telecom-</b> ₹35,100 crore
<b>Railways-</b> ₹1,52,496 crore	<b>TOTAL NMP-</b> ₹6.0 lakh crore	<b>Warehousing-</b> ₹28,900 crore
<b>Power-</b> ₹45,200 crore		<b>Mining-</b> ₹28,747 crore
<b>Power Generation-</b> ₹39,832 Crore		<b>Aviation-</b> ₹20,782 crore
<b>Natural gas Pipeline-</b> ₹24,462 crore		<b>Ports-</b> ₹12,828 crore
<b>Product Pipeline-</b> ₹22,504 crore	<b>Urban Real Estate-</b> ₹15,000 crore	<b>Stadiums-</b> ₹11,450 crore

<sup>1</sup>National Portal of India, <https://www.india.gov.in/spotlight/national-monetisation-pipeline-nmp>

The government aims to generate ₹1.6 lakh crore by monetizing 26,700 km of four-lane-and-above national highways via the toll-operate-transfer (TOT) and the infrastructure investment trust (InvIT) routes at ₹6 crore per km.

#### TOT overview<sup>2</sup>

The National Highways Authority of India (NHA) had bid out TOT bundles successfully, netting ₹14,700 crore and giving investors 7% yield. Analysis of the NHA's asset pool of 300 national highway projects (across 25,000 km) on the basis of historical toll collection and per km toll collection indicates that 65% of the sample set analyzed (in km) recorded medium-to-high toll collection growth of 15% since operation.

Around 31% of the projects (in km) earned ₹70 lakh toll revenue per km in fiscal 2020 (pre-pandemic), with 15% growth in toll revenue over the history of the projects, in line with the three TOT bundles successfully monetized so far by the NHA.

#### InvIT Overview

Infrastructure investment trusts (InvITs) are gaining momentum fast in India, following the footsteps of the developed world. Reports show that such InvITs can potentially raise up to ₹8 lakh crore of capital for the country's infrastructure sector over the next five fiscals. A deeper debt market where investors can discern risks and returns across infrastructure asset classes, and stable regulations will be critical to achieving this goal. Government reports had estimated that ₹111 lakh crore of investments are required in infrastructure through fiscal 2025, which is twice what was spent in the past five fiscals. This is a huge investment need, and cannot be met by the government and traditional infrastructure-financing sources only. Thus, alternative channels need to be pressed into service. InvITs, in this context, can play a significant role here. Their combined Assets Under Management (AUM) have logged a whopping 42% Compound Annual Growth Rate (CAGR).

Currently, there are 15 InvITs in India and research demonstrate three reasons for high dependency on InvITS: low debt, combined debt-to-AUM ratio of less than 35%, and over 90% of AUM deployed in operational assets. Recent rules allow setting up of an unlisted private InvIT sans any cap on leverage or ratings, or curbs on investments in operational assets. While this poses a threat of raising the credit risks by some extent, it may still support healthy market development. Such InvITs are increasingly generating investor interest given the flexibilities offered and the opportunity to balance the interests of lenders and investors.

<sup>2</sup>numerical data collected from Crisil Report "Monetisation Road".

**Road Sector update**

**Assets Considered for Monetization** – The total length of assets considered for monetization over FY 22 – 25 climb up to 26700 km. This is based on the length of already/to be operational four lane highways and above entailing potential for revenue generation and thereby monetization.

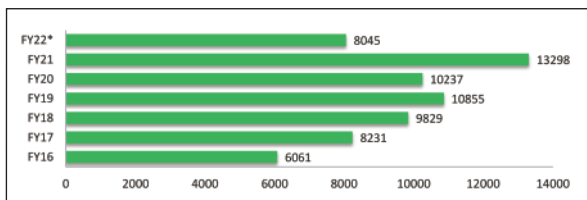
**The summary of annual phasing is as follows<sup>3</sup>:**

Asset Length to be Monetized	Asset Length as a percentage of potential Asset Base (%)	Indicative Monetization value over FY 22 - 25	Share in overall NMP in value term (%)
26,700 km	20%	1,60,200 Cr	27%

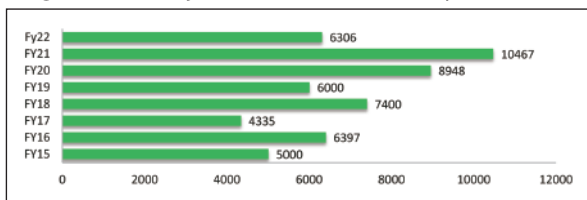
The Government has set an ambitious target in Budget 2022-23 of expanding the National Highway network by 25,000 kms over the fiscal year. Ministry of Roads & Highways overall target to develop 2 lakh Kms of National Highway Network by 2025. However, due to economic slowdown which has affected every aspect of growth in every sector, the rate of construction in FY 21-22 has slowed down to 29 km per day. The Government, in the context of accelerated growth, is aiming the target of 50 Km/day of road construction as announced by the ministry in FY 22-23. The achievement is significant as the first few months were lost due to nation-wide lockdown in the wake of COVID-19 pandemic. Construction activities were badly affected during the period but the construction industry displayed remarkable resilience and strength in execution capability and was still able to make an unprecedented progress during the year.

The NHA has greatly accelerated its pace of national highway construction, from only 2,623 km in FY 2017 to 4,218 km in FY 2022 and. However, more projects being executed on the Engineering, Procurement and Construction (EPC) and Hybrid Annuity Model (HAM) modes has meant a greater constraint of funds. Given the high targets under projects such as Bharatmala and the construction of high-value expressways, in addition of higher repayment of borrowings, the authority’s requirement reaches up to ₹10 lakh crore over the next 5 years vis-à-vis the previous 5 years. If these funding requirements are met, it is being estimated that the it is possible to construct 25,000 km of national highways over fiscal 2022-2026, compared with 17,228 km over fiscal 2017-2021.

**Length of Highway Constructed in last seven years<sup>4</sup>**



**Length of Road Projects awarded in last seven years (in Kms)<sup>4</sup>**



**Indicative Monetization Value of Assets and phasing** – The total indicative Monetization Value of Assets considered for monetization is estimated at ₹1.6 Lakh crore for FY 22 -25. The Asset Pipeline has been phased out over the NMP period to ensure better preparedness and improved marketability.

**Major Initiatives taken by the Ministry:**

**1. Bharatmala Pariyojana**

The project envisioned construction of National Highways of 34,800 kms length over a period of 5 years (2017-18 to 2021-22) at an estimated cost outlay of ₹5,35,000 Crore. The project primarily focused on an optimized movement of freight and passengers alike with a significant decrease in travel time and cost across the country by bridging critical infrastructure gaps. Out of 34,800 km length envisaged for development under Bharatmala Pariyojana Phase-I, National Highway construction project comprising length of 20,411 km with a cost of ₹6,18,686 crore have been awarded and 8,134 km of project length has been constructed till March 2022. Additionally, work on preparation of Detailed Project Reports for about 13,233 kms is under progress.

Under the same scheme, 9,000 km length of economic corridors has been envisaged for implementation under Bharatmala Pariyojana Phase-I. Out of which, projects comprising length of 6,087 km have been approved/awarded and the remaining length is planned for award in next 2 financial years. Special attention has been paid to fulfilling the connectivity needs of backward and tribal areas, areas of economic activity, places of religious and tourist interest, border areas, coastal areas and trade routes with neighboring countries.

**2. PM Gati Shakti**

‘Gati Shakti’ is a digital platform, which will bring 16 Ministries, including Railways and Roadways together, for integrated planning, coordination and implementation of infrastructures connecting projects for industrial clusters and economic nodes. Out of 860 such identified nodes of economic importance’s across country under PM Gati Shakti National Master Plan (NMP), it is targeted to connect 783 nodes under Bharataala Pariyojana Phase I.

**3. Infrastructure Drive in the North East Region of the Country**

Ministry of Road Transport and Highways (MoRTH) has planned to augment the NH network to 2,00,000 Km by 2022-23 by connecting all State capitals in the North Eastern region with either 4 lane national highways or 2 alternate alignments of 2 lane configuration each and completing 4/6 lane NH covering length of 5,590 km along coastal areas.

**4. Way Side Amenities Development**

In a major move to improve commuters experience in National Highways for both passengers and truckers, NHA will develop world class Way Side Amenities at more than 600 locations across 22 states along the highways in next five years. Out of these, 130 are targeted for development in FY 2021 to 22. The facility such as Electric

<sup>3</sup>National Portal of India: <https://www.india.gov.in/spotlight/national-monetisation-pipeline-nmp>

<sup>4</sup>BEF Report: “Roads (March 2022)”



Charging Stations will help in promoting use of electric vehicles, thus reducing pollutions. The amenities will also promote local economy by generating employment opportunities and help local people to market their unique product / handcraft etc.

### 5. Multi Model Logistic Park (MMLP)

35 MMLPs are being developed on Pan India basis on 'Hub and Spoke' model.

### 6. Development of dedicated National Highways connecting Ports

A separate company under NHAI named 'National Highways Logistics Management Limited'(NHLML) has been incorporated to carry out development of the MMLPs and works related to National Highway connectivity for ports. This effort is expected to eradicate multiple traffic related issues such as removal of congestion points in city locations; reduction in delays caused due to restrictions on commercial vehicles movement during certain hours of the day as per state / Local Urban regulations and Reduction in road accidents through separation of Commercial and Passenger vehicle traffic etc.

### 7. Bharat series (BH-series):

In order to facilitate seamless movement of vehicles, the Ministry of Road Transport & Highways, vide notification dated 26th Aug 2021, has introduced a new registration mark for new vehicles i.e. "Bharat series (BH-series)". A vehicle bearing this registration mark shall not require assignment of a new registration mark when the owner of the vehicle shifts from one State to another.

### 8. All India Tourist Vehicles (Authorization or Permit) Rules, 2021:

Ministry of Road Transport & Highways is in the pursuit of providing seamless movement to tourist passenger vehicles. This will be achieved by providing permits to tourist vehicles and enable easy and seamless travel all over the county facilitating a breakthrough in tourist movement throughout the county.

### Funding for Infrastructure Development

There are several other initiatives taken by the Ministry to create innovative funding models and policies to facilitate construction of National Highways. Some of these policy initiatives and funding models are under:

- Infrastructure Investment Trusts
- Toll Operate Transfer (TOT) model
- Ease of Doing Business - Reforms/ changes relating to highway development under BOT(Toll), TOT and HAM model

### Technological Enhancements & Developments in Road Sector

#### 1. AI power to Drive Road infrastructure in the near future:

Artificial Intelligence (AI) powered solutions will soon make roads in India a safer place to drive. A systematic AI approach that uses the predictive power of AI to identify risks on the road, and a collision alert system to communicate timely alerts to drivers, to make several improvements related to road safety, is being implemented an objective of resulting in a significant reduction of accidents.

The project 'Intelligent Solutions for Road Safety through Technology and Engineering' (iRASTE) is a new initiative that will identify potential accident-causing scenarios while driving a vehicle and alert drivers

about the same with the help of the Advance Driver Assistance System (ADAS). The project will also identify 'greyspots', i.e., by data analysis and mobility analysis by continuously monitoring dynamic risks on the entire road network. Greyspots are locations on roads, which left unaddressed could become blackspots (locations with fatal accidents) LaneRoadNet (LRNet), a new framework in the pipeline, which, with an integrated mechanism considering lane and road parameters using deep learning, has been designed to address problems of Indian roads, which have several obstacles, occluded lane markings, broken dividers, cracks, potholes, etc. that put the drivers at significant risk while driving. In this framework, a road quality score is calculated with the help of a modular scoring function.

### 2. General Navigation with Satellite Systems

The On Board Units installed on vehicles to be tracked by satellites, which will monitor their movement over the tolled section of the road to assess the toll, based on distance travelled. When implemented, user will have to pay only for the part of the Toll road travelled or used by them.

### Road safety Initiatives

The Ministry has formulated a multi-pronged strategy to address the issue of road safety based on Education, Engineering (both of roads and vehicles), Enforcement and Emergency Care.

- **Awareness programs:** The ministry launched public awareness schemes and initiatives such as observation of road safety awareness week/month, important conferences and awareness moves such as distribution of handbills and pamphlets among general crowd are being carried out with utmost focus to raise the general awareness regarding road safety, traffic rules and general laws regarding road transportation.
- **Good Samaritan Scheme:** A scheme for Grant of Award to the Good Samaritan who has saved life of a victim of a fatal accident involving a Motor launched by this Ministry.

## II. BUSINESS & OPERATIONS

Your Company is a road BOT company in India, focused on development, implementation, operation and maintenance of National and State Highways with execution experience in developing, operating and maintaining Seven (7) BOT Projects covering over 2250 Lane km of Roads and Highways in states of Uttar Pradesh, Kerala, Haryana, Madhya Pradesh, Jharkhand, Maharashtra and Odisha.

The main business operations of your company can be divided into three categories, i.e.

- Project development and implementation;
- Tolling Operations and Highway Management; and
- Advisory Services and Project Management Services including Construction Supervision/Debt Syndication for your Company's projects.

During the year under review, your Company has focused on all these areas to augment resources while channelizing resources towards portfolio realignment and claim realization. With successful completion of portfolio realignment through transfer of asset ownership, your Company is today operating 2 BOT projects worth ₹1620 crores covering 660 lane km of National Highway in Kerala and Maharashtra.

**Divestment Initiatives:**

**Divestment of SJEPL:** “SJEPL” or “Shree Jagannath Expressways Private Limited” was an Associate of Bharat Road Network Limited (BRNL), for which a successful divestment transaction was consummated on 28.06.2022 under Securities Purchase Agreement dated 21.01.2021. Your Company received ₹94.11 Crs from the Purchaser (Indian Highway Concessions Trust) against its equity exposure of ₹112.16 Crs. The buyer/purchaser, Indian Highway Concessions Trust, is a SEBI registered Infrastructure Investment Trust.

Apart from above, SJEPL has disputes against NHAI worth ₹700 crore (approx) pending conciliation. Pursuant to agreements with the Purchaser, your Company is entitled to receive the further amount in proportionate to its shareholding (40%) on successful completion of conciliation/legal proceedings.

**Divestment of GAEPL:** “GAEPL” or “Ghaziabad Aligarh Expressway Private Limited” was an Associate of Bharat Road Network Limited (BRNL) which was successfully divested on 26.05.2022 under Share Purchase Agreement dated 01.04.2021. Your Company has received ₹53.65 Crs from the Purchaser (Cube Highways and Infrastructure Pte Ltd) against its exposure of ₹293.32 Crs. The buyer/purchaser, Cube Highways and Infrastructure Pte Ltd, is an infrastructure company based in Singapore. Cube Highways is registered with Securities and Exchange Board of India (SEBI) as a Foreign Venture Capital Investor (FVCI).

The divestment has been aimed at de-risking your Company from asset liability mismatch owing to huge debt repayments obligations at project level as sponsors and also to alienate itself from capital infusion requirement for six laning of the project.

**Operational Projects:**

**Guruvayoor Infrastructure Private Limited (GIPL)**



Four laning of the existing two lane portion of the Thrissur- Angamali section of NH-544 (old no. 47) from km 270.00 to km 316.70 and improvement, operation and maintenance of the Angamali-Edapalli section from km 316.70 to km 342.0 of NH-544 in the state of Kerala on BOT Toll basis.

**Solapur Tollways Private Limited (STPL)**



Four laning of the Solapur-Maharashtra/ Karnataka border section of NH-9 (old no. 65) from km 249.00 to km 348.80 in the state of Maharashtra on DBFOT Toll basis.

**Projects Handed Over:**

**Mahakaleshwar Tollways Private Limited (MTPL)**



Four laning of the Indore-Ujjain portion from Ch. 5/2 to Ch. 5/3 on State Highway 27 on BOT Toll basis in the state of Madhya Pradesh.

**Kurukshetra Expressway Private Limited (KEPL)**



Four laning of the Rohtak-Bawal section of NH-71 from km 363.30 to km 450.80 in the state of Haryana on DBFOT Toll basis.

**Divested Projects:**

**Ghaziabad Aligarh Expressway Private Limited (GAEPL)**



Four laning of the Ghaziabad-Aligarh section of NH-91 connecting km 23.60 to km 140.20 of NH-91 and subsequent six laning of the project highway (excluding Aligarh bypass from km 129.60 to km 149.90) on BOT Toll basis.

**Shree Jagannath Expressways Private Limited (SJEPL)**



Six laning of the existing road from km 413.00 to km 418.00 and km 0.00 to km 62.00 on Chandikhole- Jagatpur-Bhubaneswar section of NH-16 (old NH-5) in the state of Odisha on DBFOT Toll basis.

## Under Construction

### Palma Gumla Highway Private Limited



The scope of work for the project includes designing, engineering, financing, procurement, construction, operation and maintenance of the existing 2 Lane without Paved Shoulder carriageway to 4 Lane with Paved Shoulder carriageway configurations. The total design length of the project stretch is 63.170 Km Start from design Km 26.0 (Palma Village) to design Km 89.170 (Gumla Bypass). Out of 63.170 Km 21.000 Km is failing under Ranchi District and 42.170 Km is failing under Gumla District.

### III. BUSINESS PERFORMANCE

During the year under review, your Company continued its focus on improving operational efficiency through increased automation of services and adopted prudent project delivery mechanism to expedite execution of the existing asset under construction.

#### Traffic and Revenue Growth

The toll and traffic revenue across the projects of your company were impacted due to multiple external factors and force majeure events along the project stretch. While traffic and toll revenues were showing momentary signs of recovery from COVID-19 impact, there were several other factors such as the economic slowdown, political protests along with farmers agitation at KEPL, revenue leakage due to competing roads, strategic decision to handover KEPL to NHAI in Oct'21 and MTPL project takeover by MPRDC in Jan'22, all contributing towards significant reduction in the overall toll collection. Your Company has taken up claims and compensation issues with Authority for both the projects.

The Average Daily Revenue (ADR) across all the operational projects ended up at ₹170.44 Lakhs in financial year 2021-22 with total revenue of ₹622.02 Crores from ₹182.55 Lakhs in financial year 2020-21 with total revenue of ₹626.85 Crores.

There was increase in toll revenue at GIPL, GAEPL & STPL which has helped in making up with the last year's Toll collections despite the loss of toll revenue from KEPL and MTPL. The toll revenue is expected to improve this year due to an expected increased economic activity across the high growth industrial corridors along the project stretches. All of your Company's projects have implemented an updated tolling system (ETC operations) which is reflected in higher Toll collection & decrease in operational cost.

**Ghaziabad Aligarh Expressway Private Limited (GAEPL):** In spite of COVID 19 impact & economic slowdown, the project ended the year with a growth of 5.97% in Toll revenue as the Average Daily Revenue of ₹58.29 lakhs in FY 2020-21 increased to ₹61.77 lakhs in FY 2021-22. The toll revenue is expected to improve due to higher increase in Wholesale Price Index (WPI) which will increase our tariff also economic growth after COVID 19.

**Mahakaleshwar Tollways Private Limited (MTPL):** Despite installation of new upgraded Toll Management System (TMS), the prevalent Covid-19 impact and forced exemptions continued to adversely impact the project and the traffic along the project stretch was yet to return to normalcy. The financial year 2020-21 witnessed toll revenue declining by 3.79% as the Average Daily Revenue slipped from ₹7.11 Lakhs in FY 2020-21 to ₹6.85 lakhs in FY 2021-22.

In view of mounting losses due to forced exemptions and outstanding claims due to revenue loss during Simhastha Parv and demonetization during the FY 2016-17, MTPL had been pursuing claims against Madhya Pradesh Road Development Corporation Limited (MPRDC). As the state government failed to insulate the company from the mounting losses, MPRDC Subsequently took control of the operation and maintenance alleging breach in maintenance by the concessionaire. Your Company has contested the action by MPRDC and has been pursuing the claim through arbitration and litigation.

MTPL submitted its formal termination notice on 2nd May 2022 to MPRDC demanding Termination payments due to MPRDC Defaults. MTPL now intends to file amended claim before the Arbitration tribunal under Adhinyam Act. It is also proposed that once the amended claim is submitted, a petition to grant immediate relief of payment of 90% of the debt due from MPRDC is to be sought from the Arbitral Tribunal under Adhinyam Act. Based on the response of the Arbitral Tribunal, further legal recourse has to be pursued by MTPL before higher courts.

**Shree Jagannath Expressways Private Limited (SJEPL):** The project is nearing completion and the balance work is being expeditiously executed on the stretches which were handed over late due to Right of Way (ROW) issues. The Average Daily Revenue (ADR) has dropped down to ₹47.56 Lakhs in FY 2021-22 as compared to ₹51.51 Lakhs in FY 2020-21. The reason for steep decline in revenue is due to COVID 19. The last year increase in Toll collection was due to demand of Iron export to neighboring countries had gone down & all the commercial traffic involved in that activity has stopped. In the coming years, it is expected that revenue shall increase further due to expected growth of mining industry which has impacted due to COVID 19 effect also increase in WPI will be the main contributor in the year 22-23. SJEPL has won the Arbitration Award of over ₹150 Crore (including interest) towards loss of Toll that was not allowed to be collected by NHAI after the completion of construction of Mahanadi Bridge. The matter is still pending before Delhi High Court for adjudication.

**Kurukshetra Expressway Private Limited (KEPL):** Inauguration of a parallel corridor - Kundli Manesar Palwal Expressway by the Haryana Government and the ongoing Kissan agitation along the project stretch resulted in mounting losses in toll revenue. There has been a sharp decline in the total Toll revenue by 68% as compared to last year. The Average Daily Revenue dropped to ₹10.55 lakhs in FY 2021-22 from ₹17.01 Lakhs in FY-2020-21. The company also won the Arbitration Award of ₹47 Crore and 58 days extension of Concession Period which has been challenged by NHAI in Delhi High Court. The application is currently pending for adjudication.

Arbitration has also been invoked by the company and claims were filed against NHAI for shortfall in toll revenue due to construction of the competing road which is pending adjudication by the Tribunal. Due to issues such as constantly declining traffic due to competing



roads and series of political agitation which drastically affected toll collection, the notice of intention to terminate the Concession Agreement under sec 34.8 was served to Authority with a view to protect stakeholders interest and insulate them from the mounting losses and expanding debt obligations. Subsequently, the project was handed over to National Highways Authority of India with effect from 31st December 2021 and KEPL has now been pursuing claims and termination payment from the Authority.

**Guruvayoor Infrastructure Private Limited (GIPL):** During the year under review, the Company has recovered slightly from COVID 19 effect. Although there have been slow recovery in traffic by 1.04% in ADT, the Average Daily Revenue increased by 6.19% to ₹33.43 lakhs in FY 2021-22 as against ₹31.48 Lakhs in FY 2020-21. The Company has also been suffering from non-payment of toll by Kerala State Road Transport Corporation (KSRTC) buses and the free passes issued to locals as per the order from Govt of Kerala. Hence the company has invoked arbitration against NHA for all the claims which are pending for adjudication. Since 8th March 2022, Company has been able to collect Toll from KSRTC Buses.

**Solapur Tollways Private Limited (STPL):** The project has been under Provisional COD since 3rd February 2020 and the first operational year unfortunately got severely impacted due to COVID-19. At certain locations, the Project continues to suffer due to delay in acquisition of land and shifting of utilities. The company has achieved partial COD for 82.95 Km length and commenced Toll operations in the month of February 2020 with ADR of ₹15.71 lakhs. During the year 2021-22, Company has closed with an impressive ADR of ₹18.73 lakhs as compared to 2020-21 as ADR of ₹16.35 Lakhs. The toll revenue is expected to improve due to higher increase in WPI which will increase our tariff also economic growth after COVID 19 will attract higher growth in Traffic.

#### **IV. FUTURE BUSINESS PLANS**

Your Company is an infrastructure developer operating on asset aggregation platform and hence it has always been focused towards value accretion through portfolio realignment while strengthening operational efficiency through extremely efficient claims and contract management, robust construction management system and processes. With a constant focus on enhancing capabilities to better assess, manage, and mitigate claims and risk; your Company is focused towards expeditious handling of claim through negotiation, mediation, arbitration and litigation. Your Company has now renewed focus and strengthened approach channelizing its efforts and actions towards realization of claims through arbitration, conciliation and litigation.

The initiatives towards portfolio realignment have enabled your Company to engage in discussion and negotiation with global institutional infrastructure investors such as Cube Highways and Infrastructure Pte. Ltd & CDPQ Infrastructure. This reflects the deep domain expertise and experience which exudes high trust and exceptional inter-corporate relation among the leading infrastructure players in India. The collaborative effort with such globally recognized infrastructure institutions enables your company to bring forth global best practices in highway infrastructure maintenance and management in our country.

With successful portfolio realignment during the year, your Company has also put forward its efforts on optimizing financial efficiencies and scaling greater heights in achieving operational excellence in

existing projects while streamlining efforts towards construction management and claim realization. Your Company will be continuously utilizing new and available resources to improve and create an effective construction management process.

#### **V. FUTURE OUTLOOK**

The entire infrastructure sector sat at a juncture of worldwide disruptions during past pandemic years. Shifts in capital availability, continuously changing social and environmental priorities and rapid urbanization are some of the uncertainties in the said sector. It will take years to uncover and realize the impact of the pandemic to its full extent. However, in the observable future it is being believed that the pandemic will have major effects on the industry. A renewed drive on intensifying focus on operational resilience, the affordability of infrastructure, the deployment of new technologies and the need for sustainability would continue to be aim for infrastructure managers worldwide. As successful delivery of infrastructure demands well knitted alignment and collaboration between wide ranges of participants, each having their own interest and agenda, your Company shall also aim towards consolidation and realignment of business strategies for staying ahead on the growth curve.

#### **VI. RISK MANAGEMENT**

Risk management continues to be an integral part of your Company's growth strategy. The risk management strategy of your Company hinges on a clear understanding of various risks and adherence to well-laid out risk policies and procedures that are benchmarked with industry best practices. Your Company has developed robust systems and embraced sturdy practices for identifying, measuring and mitigating various risks and ensuring that they are maintained within pre-defined risk appetite levels.

##### **Risk and Concern**

###### **• Growth Risk**

Growth risk is the inability to effectively manage growth or to successfully implement business plans which depends heavily on the ability to plan and execute the growth strategy. Growth Risk can impact organic as well as inorganic growth vision of the Company in the form of inability to successfully bid for new projects at attractive IRR or acquisition of existing stressed projects at attractive valuation.

Your Company's growth risk mitigation strategy is guided by constant review and analysis of market opportunities and trends in both organic and inorganic space for selective bidding for new projects and acquisition for projects falling within the clearly defined investment criteria.

###### **• Business Risk**

Business Risk includes risks with respect to competition, capital intensiveness, input cost, traffic growth for BOT projects and labour.

Your Company faces risk of competition as the sector is growing and more players get qualified to bid for new projects, also as the business which your company operates is capital intensive by nature, availability of sufficient funds is critical for bidding of projects, particularly in case of fund-based projects such as BOT- toll, HAM and TOT model. Further, availability of the right quality and quantity of resources is critical for the timely completion of infrastructure projects, any unexpected increase in the input costs will have direct impact on overall margins. Moreover undue attrition of manpower could lead to loss of competitive edge as it may lead to project delays.

Your Company has a well-designed mitigation plan to address these business risks. Company adapts its policies and procedures to ensure a sustained business model. Your Company strives to execute maximum number of projects before their scheduled completion and within the budgeted cost. Your Company operates its working capital cycle in a highly optimized manner, your company enters into contracts with EPC Partners which has the relevant cost escalation provisions that protect your Company's margins. Further, your company's focus is to build an organisation of highly motivated employees, having the ability to execute ambitious business goals with passion and commitment, thereby exceeding customer aspirations. The working environment of the Company is cordial and employee-friendly. The remuneration is at par with the industry standards.

#### • **Regulatory Risk**

The business of the company is significantly dependent on various Government entities and could be adversely affected if there are adverse changes in the policies adopted by such Government entities.

Your Company regularly reviews and monitors government policies and likely developments along with an impact assessment of those policies so that necessary actions can be planned and implemented from time to time.

### **VII. HUMAN RESOURCES AND INDUSTRIAL RELATIONS**

Your Company remains committed towards the overall growth and development of Human Capital and continues to adhere to the widely recognized human resource practices for collective growth of the team members' alongwith the organizational development.

In terms of its manpower strength, the overall headcount of the group (including the SPVs) till 31st March 2022 has been 847, consisting of on-roll employees & off-roll resources of 636 & 211 respectively. There has been substantial variation in manpower strength due to portfolio realignment of your Company.

The Human Resources function within the group has been aiming for streamlining its functions towards meeting the compliance parameters while also focusing on optimizing on individual performances. There has been constant focus towards optimizing manpower strength through effective cross-utilization of the existing workforce and leveraging employee functional expertise across various verticals. The Company remains committed to fostering the existing talent pool through Training and Development and implementation of the best Talent Management Practices like Succession Planning which aims to identify organization preparedness for the critical roles of the organization.

Your Company continues to diligently maintain and adhere to the policies, rules and practices that treat employees with dignity and equality while complying with employment and labour laws, corporate directives and agreements. Your Company also remained committed towards its core values aimed towards the welfare of the community along the project stretch and conducted various CSR activities. The overall aim has always been to provide an atmosphere that is safe, healthy, secure and conscious of long-term family and community goals.

### **VIII. INTERNAL CONTROL AND AUDIT**

Your Board places utmost importance in setting up and regularly enhancing Internal Control Framework in view of complex business

environment and increasing regulatory oversight for sustainable growth. Your Company adopts a calibrated and smart framework spanning on pillars of administrative and financial controls. On the administrative control side, your Company has a proper reporting structure, several oversight committees, defined roles and responsibilities at all levels to ensure appropriate checks and balances. On the financial controls side, management with the knowledge and understanding of the business, its organization, operations, and processes has put in place appropriate controls including segregation of duties and reporting mechanism to deter and detect misstatements in financial reporting.

Your Company has an Internal Financial Control (IFC) System, commensurate with the nature of its business and the size and complexity of its operations. The Company's system of internal control has been designed to provide a reasonable assurance with regard to controls over critical business activities and operations, policies and procedures for ensuring the orderly and efficient conduct of business, critical procurements, prevention and detection of frauds and errors, compliance with regulations and for ensuring timeliness and reliability of financial reporting. Your Company's IFC have been reviewed and actions have been taken wherever needed, to strengthen control and overall risk management procedure.

The Audit Committee of the Board evaluates and reviews the adequacy and effectiveness of the Internal Control Systems and suggests improvements to strengthen them. Based on the report of Internal Auditor and the response thereto, necessary corrective actions are undertaken to strengthen the controls. Overall, the Board and the Audit Committee maintains a proactive approach in ensuring that the control and governance framework is regularly reviewed and timely corrective actions are taken to minimize risk of disruption.

During the year under review, Your Company appointed M/s. G. P. Agrawal & Co, a Chartered Accountant Firm (Firm Registration No. 302082E), having requisite academic and professional qualifications, work experience, skill and other suitable capabilities, as the Internal Auditor of the Company. However, they resigned as Internal Auditors from the quarter ended December, 2021 due to pre-occupation after six months of their appointment and completed internal Audit only upto 30th September, 2021.

In view of the casual vacancy created due to resignation of M/s. G. P. Agrawal & Co, as the Internal Auditor, your Company, on the recommendation of the Audit Committee and as approved by the Board of Directors, appointed M/s. Doshi Chatterjee Bagri & Co. LLP, Chartered Accountants, (LLPIN: AAG-4416) as the Internal Auditor for conducting Internal Audit from 1st October, 2021 to 31st March, 2022.

### **SUBSIDIARY & ASSOCIATE COMPANIES**

As on 31st March, 2022, your Company had 3 (three) Subsidiaries and 5 (five) Associate Companies and as on the date of this Report, your Company had 3 (three) Subsidiaries and 2 (two) Associate Companies.

As on the date of this report, your Company is pleased to announce that -

- it has successfully consummated the transaction for sale of its entire shareholding in Ghaziabad Aligarh Expressway Private Limited (GAEPL), an 'Associate' of the Company to Cube Highways and Infrastructure Pte Ltd on 26.05.2022, as contemplated under the Share Purchase Agreement dated 1st April, 2021 and related transaction document.

- it has successfully consummated the transaction for sale of its entire shareholding in Shree Jagannath Expressways Private Limited ("SJEPL"), an "Associate" of the Company to Indian Highway Concessions Trust (the purchaser) acting through its investment manager on 28.06.2022, as contemplated under the Securities Purchase Agreement dated 20th January, 2021 and related transaction documents;

Details of changes in the Subsidiaries and Associate Companies during the year under review and as on the date of this report is as hereunder –

Name	Status
Ghaziabad Aligarh Expressway Private Limited (GAEPL)	Ceased to remain an Associate of the Company w.e.f. 26.05.2022
Shree Jagannath Expressways Private Limited ("SJEPL")	Ceased to remain an Associate of the Company w.e.f. 28.06.2022

#### PERFORMANCE AND FINANCIAL POSITION OF SUBSIDIARIES & ASSOCIATE COMPANIES

The Statement in Form AOC-1 containing the salient features of the Financial Statements of your Company's Subsidiaries and Associate Companies, pursuant to first proviso to Section 129(3) of the Companies Act, 2013 (Act), read with Rule 5 of the Companies (Accounts) Rules, 2014, forms part of this Annual Report. Further, in line with Section 129(3) of the Act read with the aforesaid Rules, the SEBI Listing Regulations, 2015) and in accordance with the Indian Accounting Standards specified under section 133 of the Act, Consolidated Financial Statements prepared by your Company includes financial information of its Subsidiary and Associate Companies.

Further, in accordance with Section 136 of the Companies Act, 2013, the Audited Financial Statements of each of the Subsidiary, included in the Consolidated Financial Statements prepared by your Company as per Rule 8(1) of the Companies (Accounts) Rules, 2014, is available on the website of your Company, [www.brnl.in](http://www.brnl.in).

Members interested in obtaining a copy of the Annual Accounts of the Subsidiaries may write to the Company Secretary at your Company's Registered Office. The said Report is not reproduced here for the sake of brevity.

#### MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THIS REPORT

There has been no material change and commitment affecting the financial position of your Company, which have occurred from the end of the Financial Year ended on March 31, 2022 and the date of this Report except as mentioned above that your Company has sold its stake in Ghaziabad Aligarh Expressway Private Limited and Shree Jagannath Expressways Private Limited and consummated the transaction on 26.05.2022 and 28.06.2022 respectively.

#### CAPITAL STRUCTURE

At present, the Authorized Capital of the Company is ₹100 Crore (Rupees One Hundred Crore) divided into 10,00,00,000 (Ten Crore) Equity Shares of ₹10 (Rupees Ten) each.

The Paid-up Share Capital of your Company is ₹83.95 Crore (Rupees Eighty Three Crore and Ninety Five Lakhs) divided into 8,39,50,000 (Eight Crore, Thirty- Nine Lakhs, Fifty Thousand) Equity Shares of ₹10/- (Rupees Ten) each.

There has been no change in the capital structure of your Company during the year under review.

#### DIRECTORS AND KEY MANAGERIAL PERSONNEL

##### Directors

Pursuant to the provisions of Section 152(6) of the Companies Act, 2013 and Rules made thereunder, Mr. Bajrang Kumar Choudhary (DIN: 00441872), Managing Director of your Company, retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

Mr. Bajrang Kumar Choudhary, Managing Director of your Company is completing his term of 3 years as a Managing Director on 31st October, 2022. Considering his dedicated and meritorious services and able leadership under which the Company has achieved its strategic goals, the Board of Directors of your Company has re-appointed Mr. Bajrang Kumar Choudhary (DIN: 00441872) as the Managing Director (MD) of your Company for a further period of 3 (three) years w.e.f. November 01, 2022 based on the recommendation of the Nomination and Remuneration Committee, subject to approval of Members at the ensuing Annual General Meeting (AGM) of your Company.

Based on the recommendation of Nomination and Remuneration Committee, Mr. Vipin Kumar Saxena (DIN: 08889866) was appointed by the Board of Directors as an Additional Director (Category: Non-Executive and Independent Director) of the Company for a term of 5 years w.e.f. 25th September, 2020 and he was regularised at the 14th (Fourteenth) Annual General Meeting (AGM) of your Company held on 29th September, 2021. He however tendered his resignation as an Independent Director of the Company w.e.f. 30th May, 2022 due to personal reasons. The Board places on record, deep sense of gratitude and appreciation for the valuable services rendered by Mr. Vipin Kumar Saxena as the Independent Director of the Company. Mr. Vipin Kumar Saxena has confirmed vide his resignation letter that there are no other material reason other than the reason provided for his resignation.

Dr. (Ms.) Tuk Tuk Ghosh Kumar (DIN: 06547361), Independent and Woman Director of your Company completed her first term in line with the explanation to section 149(10) and 149(11) of the Companies Act, 2013 on 5th October, 2021. Dr. (Ms.) Tuk Tuk Ghosh Kumar has rich and varied experience and as an Independent Director, she has played a pivotal role in improving the corporate governance standards in the Company. She has also devoted sufficient time and attention to her professional obligations for informed and balanced decision making by the Board. Also, as per the performance evaluation report of Dr. (Ms.) Tuk Tuk Ghosh Kumar, her performance was found to be effective.

In view of the above, the Board of Directors, based on the recommendation of Nomination and Remuneration Committee and subject to approval of the Members of your Company recommended re-appointment of Dr. (Ms.) Tuk Tuk Ghosh Kumar as Independent Director of your Company, not liable to retire by rotation to hold



office for a second term of 5 (five) consecutive w.e.f. 6th October, 2021 and her appointment was approved by the shareholders of the Company at the 14th (Fourteenth) Annual General Meeting (AGM) of your Company held on 29th September, 2021.

The brief resume / details relating to Directors who are proposed to be appointed / re-appointed are furnished in the Notice of the ensuing AGM. The Board of Directors of your Company recommends the appointment / re-appointment of the above Directors.

Your Company has received declaration from each of the Independent Directors under Section 149(7) of the Companies Act, 2013 that they meet the criteria of Independence as laid down in Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of SEBI Listing Regulations, 2015 and that he/she is not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact his/her ability to discharge his/her duties with an objective independent judgment and without any external influence. All requisite declarations have been duly placed before the Board.

In the opinion of the Board, the Independent Directors fulfill the conditions as specified under Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and are independent of the management. The majority of the Independent Directors are exempted from appearing the online proficiency self-assessment test conducted by the institute notified under section 150(1) of the Companies Act, 2013.

In the opinion of the Board, the independent director(s) appointed during the year possess integrity, expertise and experience (including the proficiency) and shall clear the online proficiency self-assessment test conducted by the institute notified under section 150(1) of the Companies Act, 2013 within the stipulated timelines.

In terms of SEBI Listing Regulations, 2015, your Company has identified core skills/expertise/competencies as is required in the context of the Company's business(es) and sector(s) for it to function effectively. Details of such skills/expertise/competencies identified along with the names of directors who have such skills / expertise / competence are furnished in the Corporate Governance Report and forms part of this Annual Report.

During the year under review, the Non-Executive Directors of the Company had no pecuniary relationship or transactions with your Company, other than sitting fees for the purpose of attending meetings of the Board/Committee of the Company.

### Key Managerial Personnel

Mr. Arindam Bhowmick, who was appointed as the Chief Financial Officer of the Company by the Board of Directors w.e.f. 24th July, 2020, tendered his resignation as the Chief Financial Officer of the Company w.e.f. close of business hours on 29th June, 2021. He however continued in the employment of the Company.

In view of the above and based on the recommendation of Nomination and Remuneration Committee and approval of the Audit Committee, Mr. Chathanur Krishnan Ranganathan was appointed as the Chief Financial Officer of the Company by the Board of Directors w.e.f. close of business hours on 29th June, 2021. He however tendered his resignation as the Chief Financial Officer of the Company w.e.f. close of business hours on 30th July, 2022.

As per the provisions of Section 203 of the Companies Act, 2013, read with Rule 8 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended from time to time, the following Director / Executives of your Company are / were the Key Managerial Personnel as on 31st March, 2022 and as on the date of this Report -

Name	Designation
Mr. Bajrang Kumar Choudhary	Managing Director
*Mr. Chathanur Krishnan Ranganathan	Chief Financial Officer
Mr. Naresh Mathur	Company Secretary

\*Resigned w.e.f. close of business hours on 30th July, 2022

### MEETINGS OF BOARD OF DIRECTORS

The Board meets at regular intervals to discuss and decide on policy and strategy apart from other Business. However, in case of a special and urgent business need, the Board's approval is taken by passing resolutions through circulation, as permitted by law, which are noted at the subsequent Board Meeting.

4 (Four) Meetings of the Board of Directors of the Company were held during the Financial Year 2021-22 on 29th June, 2021, 11th August, 2021, 13th November, 2021 and 11th February, 2022.

The maximum time gap between any two consecutive meetings did not exceed 120 (One Hundred Twenty) days.

The details of the board meetings, the attendance of the Directors thereof and other particulars are provided in the Corporate Governance Report forming part of this Annual Report.

### AUDIT COMMITTEE

The Audit Committee of your Company has been constituted in line with the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI Listing Regulations, 2015.

The Audit Committee presently comprises of Mr. Brahm Dutt (Independent Director) acting as the Chairman of the Committee, Prof. Santanu Ray (Independent Director) and Dr. (Ms.) Tuk Tuk Ghosh Kumar (Independent Director) acting as the Members of the Committee.

There was no change in the composition of the Audit Committee during the year under review.

Mr. Naresh Mathur, Company Secretary, acts as the Secretary to the Committee.

Mr. Bajrang Kumar Choudhary, the Managing Director is a permanent invitee to the Meetings of Audit Committee.

The scope and functions of the Audit Committee is in accordance with the provisions of the Companies Act, 2013 and the SEBI Listing Regulations, 2015. The brief Terms of Reference of the Audit Committee has been provided in the Corporate Governance Report, forming part of this Annual Report.

5 (five) Meetings of the Audit Committee were held during the Financial Year 2021-22 on 3rd June, 2021, 29th June, 2021, 11th August, 2021, 13th November, 2021, 11th February, 2022.

During the year under review, there were no instances wherein the Board had not accepted any recommendation of the Audit Committee.

**NOMINATION AND REMUNERATION COMMITTEE**

The Board of Directors of the Company has constituted a Nomination and Remuneration Committee in accordance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI Listing Regulations, 2015.

The Committee presently comprises of Prof. Santanu Ray (Independent Director), acting as the Chairman of the Committee, Mr. Brahm Dutt (Independent Director) and Dr. (Ms.) Tuk Tuk Ghosh Kumar (Independent Director) as Members of the Committee.

There was no change in the composition of the Nomination and Remuneration Committee during the year under review.

Mr. Naresh Mathur, Company Secretary, acts as the Secretary to the Committee.

Mr. Bajrang Kumar Choudhary, the Managing Director is a permanent invitee to the Meetings of Nomination and Remuneration Committee.

The scope and function of Nomination and Remuneration Committee is in accordance with the provisions of the Companies Act, 2013 and the SEBI Listing Regulations, 2015. The brief Terms of Reference of the Committee has been provided in the Corporate Governance Report, forming part of this Annual Report.

2 (two) meetings of the Nomination and Remuneration Committee were held during the Financial Year 2021-22 on 28th June, 2021 and 6th December, 2021.

The Committee has formulated the Nomination and Remuneration Policy ('BRNL Nomination and Remuneration Policy') which broadly lays down the various principles of remuneration viz. support for strategic objectives, transparency, internal & external equity, flexibility, performance-driven remuneration, affordability and sustainability and covers the procedure for selection, appointment and compensation structure of Board Members, Key Managerial Personnel (KMP) and Senior Management Personnel (SMP) of your Company.

The BRNL Nomination and Remuneration Policy has been hosted on the website of the Company, [www.brnl.in](http://www.brnl.in) and a link to the said Policy has been provided elsewhere in this Annual Report.

During the year under review, changes have been made in the Nomination and Remuneration Policy of the Company to align it with the regulatory amendments in the SEBI Listing Regulations, 2015.

**CORPORATE SOCIAL RESPONSIBILITY (CSR)**

Your Company has constituted a CSR Committee, as required in terms of Section 135 of the Companies Act, 2013 and the Rules made thereunder.

The Committee presently comprises of Dr. (Ms.) Tuk Tuk Ghosh Kumar (Independent Director), acting as the Chairperson of the Committee, Mr. Praful Tayal (Independent Director), and Mr. Bajrang Kumar Choudhary (Managing Director) acting as Members of the Committee.

There was no change in the composition of the Corporate Social Responsibility Committee during the year under review.

Mr. Naresh Mathur, Company Secretary, acts as the Secretary to the Committee.

The brief Terms of Reference of the Committee has been provided in the Corporate Governance Report forming part of this Annual Report.

The Company has also framed a CSR Policy, in line with the provisions of Section 135 of the Companies Act, 2013, and the same has been hosted on the website of the Company, [www.brnl.in](http://www.brnl.in) and a link to the said Policy has been provided elsewhere in this Annual Report. Your Company strives to contribute towards CSR as per the line items included in Schedule VII to the Companies Act, 2013.

Due to average loss during three immediately preceding Financial Years i.e. ₹924.69 lakhs, your Company is not required to make any mandatory contribution towards CSR for the Financial Year 2021-22. However, Your Company is fully aware of the fact that as a corporate citizen, it is also entrusted with the responsibility to contribute for the betterment of the society at large. For this purpose, even though the requirement for the amount to be spent towards CSR was NIL, your Company has voluntarily contributed a sum of ₹8.00 Lakhs towards CSR to Suryodaya Foundation formed with the object of imparting, promoting and spreading education for under privileged children and weaker sections of the society.

Presently, Suryodaya Foundation is running 2 (two) schools in Kolkata which impart quality English medium education to under privileged children upto Class X under West Bengal Board of Secondary Education, along with facilities, like free mid-day meals, text books, note books and school uniforms at subsidised rates. The donations received by the entity helps to sustain the financial and educational activities undertaken by the two schools. Also, Donations to Suryodaya Foundation qualify for deduction under Section 80G of the Income Tax Act, 1961.

During the year under review, 2 (two) CSR Committee Meetings were held on 28th June, 2021 and 10th February, 2022.

As prescribed under Section 135 of the Companies Act, 2013, read with relevant rules, an Annual Report on CSR Activities has been set out as an Annexure to this Directors' Report.

During the year under review, the CSR Policy was amended in order to align it with the latest Regulations pertaining to CSR viz. The Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021.

**PERFORMANCE EVALUATION**

The Nomination and Remuneration Committee (NRC) of your Company has formulated and laid down criteria for Performance Evaluation of the Board (including Committees) and Individual Directors (including Chairman, Managing Director and Independent Directors) pursuant to provisions of Section 134, Section 149 read with the Code for Independent Directors (Schedule IV), and Section 178 of the Companies Act, 2013, covering, inter alia, the following parameters:

- (i) Board Evaluation - degree of fulfillment of key responsibilities; Board culture and dynamics, amongst others;
- (ii) Board Committee Evaluation - effectiveness of meetings; Committee dynamics, amongst others;
- (iii) Individual Director Evaluation (including Chairman and Independent Directors) - Attendance, Contribution at Board Meetings, Guidance/support to management outside Board/Committee meetings, etc., amongst others;

The Board evaluation framework has been designed in compliance with the requirements under the Companies Act, 2013, SEBI Listing

Regulations, 2015 and in accordance with the Guidance Note on Board Evaluation issued by SEBI in January, 2017.

During the year under review, Annual Performance Evaluation was carried out by the Board of its own performance as well as evaluation of the working of various Board Committees, viz., Audit Committee, Stakeholders Relationship Committee, Nomination and Remuneration Committee and Corporate Social Responsibility Committee. This evaluation was led by the Chairman of the Board with specific focus on performance and effective functioning of the Board, its Committees and individual Directors. The Board evaluation was conducted through structured questionnaire designed with qualitative parameters and feedback based on ratings.

Based on the above parameters, the performance of the Board was found to be acceptable and that of the Individual Directors (including Independent Directors) was evaluated and found to be effective.

It was evaluated and found that the performance of Board Committees are acceptable and effective as per ratings assigned by the board and they are adequately composed (in terms of size, skill, expertise, experience, etc.) to carry out the responsibilities and addressing the objectives for which it has been set up by the Board. Also, there is clarity between the Board, Management and Committee w.r.t. the role played by the committee.

During the year under review, in a separate meeting of Independent Directors, performance of non-independent directors, the Board as a whole and the Chairman of the Company was evaluated, taking into account the views of executive directors and Non-Executive directors. It was held unanimously that the Non-Independent Director, viz Managing Director brings to the Board, abundant knowledge in his field and is an expert in his area. Besides, he is insightful, convincing, astute, with a keen sense of observation, mature and has a deep knowledge of your Company. The Managing Directors' performance was rated as effective.

The Board, as a whole, is an integrated, balanced and cohesive unit, where diverse views are expressed and discussed when required, with each Director bringing professional domain knowledge to the table. All Directors are participative, interactive and communicative. The Boards' performance was rated as effective.

The Chairman of the Board had abundant knowledge, experience, skills and understanding of the Board's functioning, possesses a mind for detail, is meticulous to the core and conducts the Meetings with poise and maturity. The Chairmans' performance was rated as effective.

The information flow between your Company's Management and the Board is complete and satisfactory with good quality.

#### **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

Your Company is engaged in Infrastructure Sector, as stated in the Schedule VI to the Companies Act, 2013. By virtue of the provisions of Section 186(11), the provisions of Section 186, read with the Companies (Meeting of the Board and its Powers) Rules, 2014, as amended from time to time, relating to loan made, guarantee given or security provided, do not apply to your Company.

Particulars of loans, guarantees or investments given/made under section 186 forms part of the financial statements, forming part of this Annual Report.

#### **PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES**

A Related Party Transactions Policy has been devised by your Company for, inter alia determining the materiality of transactions with related parties and dealings with them in line with the requirements of the SEBI Listing Regulations, 2015 and it intends to ensure that proper reporting, approval and disclosure processes are in place for all transactions between the Company and Related Parties.

The said Policy has been amended to incorporate the regulatory amendments in the SEBI Listing Regulations, 2015 and is available on your Company's website, [www.brnl.in](http://www.brnl.in) and a link to the said Policy has been provided elsewhere in this Annual Report.

During the year under review, all related party transactions entered into by the Company, were approved by the Audit Committee and were at arm's length and in the ordinary course of business and were in compliance with the applicable provisions of the Companies Act, 2013 and SEBI Listing Regulations, 2015. Material Related Party Transactions as per SEBI Listing Regulations and as per Companies Act, 2013 are placed before the Members for their approval.

During the year under review, your Company had entered into Material Related Party Transactions and at Arms Length Basis and in the Ordinary Course of Business, details of which, as required to be provided under section 134(3)(h) of the Companies Act, 2013 are disclosed in Form AOC-2 and forms part of this Annual Report.

Further, there are no materially significant related party transactions entered by the Company with Promoters, Directors, Key Managerial Personnel or other Designated Persons, during the year under review, which may have a potential conflict with the interest of the Company at large. Members may refer to the Notes to the Financial Statements for details of Related Party Transactions.

In terms of Regulation 23 of the SEBI Listing Regulations, 2015, the Board of Directors recommend to the Shareholders of your Company to confirm and approve proposed Related Party Transactions, along with material modification, if any, to be made in the proposed RPTs, at the ensuing Annual General Meeting of the Company.

#### **POLICY FOR DETERMINING 'MATERIAL' SUBSIDIARIES**

Your Company has formulated a Policy for determining Material Subsidiaries in accordance with the applicable laws. The said Policy is available on your Company's website, [www.brnl.in](http://www.brnl.in) and a link to the said Policy has been provided elsewhere in this Annual Report.

As on March 31, 2022, two subsidiaries of your Company, Solapur Tollways Private Limited (STPL) and Guruvayoor Infrastructure Private Limited (GIPL) are the Material Unlisted Subsidiaries of your Company, as per Regulation 16(1)(c) of the SEBI Listing Regulations, 2015.

#### **POLICY AGAINST SEXUAL HARASSMENT AT WORKPLACE**

Your Company is committed to provide and promote a safe, healthy and congenial atmosphere irrespective of gender, caste, creed or social class of the employees. Your Company in its endeavour to provide a safe and healthy work environment for all its employees has developed a policy to ensure zero tolerance towards verbal, physical, psychological conduct of a sexual nature by any employee

or stakeholder that directly or indirectly harasses, disrupts or interferes with another's work performance or creates an intimidating, offensive or hostile environment such that each employee can realize his/her maximum potential.

Your Company has put in place a 'Policy on Prevention of Sexual Harassment' as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules made thereunder. The Policy is meant to sensitize the employees about their fundamental right to have a safe and healthy environment at workplace. As per the Policy, any employee may report his/ her complaint to the Internal Complaint Committee constituted for this purpose. The said Policy is available on your Company's website, [www.brnl.in](http://www.brnl.in) and a link to the said Policy has been provided elsewhere in this Annual Report.

During the year under review, no cases of Sexual Harassment of Women were reported.

#### **WHISTLE BLOWER POLICY (VIGIL MECHANISM)**

Your Company has formulated a Whistle Blower Policy incorporating the provisions relating to Vigil Mechanism in terms of Section 177 of the Companies Act, 2013, and Regulation 22 of SEBI (LODR) Regulations, 2015 in order to encourage Directors and employees of your Company to escalate to the level of the Audit Committee, any issue of concerns impacting and compromising with the interest of your Company and its stakeholders in any way. Your Company is committed to adhere to highest standards of ethical, moral and legal business conduct and to open communication, and to provide necessary safeguards for protection of employees from reprisals or victimization, for whistle blowing in good faith.

The Company has also designated [whistleblower@brnl.in](mailto:whistleblower@brnl.in), an e-mail ID for providing access to the employees of the Company to disclose any unethical and improper practice taking place in the Company for appropriate action and reporting. The said Policy is available on your Company's website, [www.brnl.in](http://www.brnl.in) and a link to the said Policy has been provided elsewhere in this Annual Report.

No complaints were reported under the Whistle blower Policy during the year under review.

#### **SIGNIFICANT AND MATERIAL ORDERS PASSED BY REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE**

During the Financial Year 2021-22, no significant and material orders have been passed by regulators or courts or tribunals, impacting the going concern status and your Company's operations in future.

#### **AUDITORS**

At the Tenth Annual General Meeting (AGM) of your Company held on December 16, 2017, Messers S.S. Kothari Mehta & Company, Chartered Accountants, having Registration No. 000756N, allotted by the Institute of Chartered Accountants of India (ICAI), were appointed as Statutory Auditors of the Company, to hold office for a term of 5 (five) years, from the conclusion of the 10th AGM till the conclusion of the 15th AGM of your Company, in accordance with Section 139 and other applicable provisions of the Companies Act, 2013, read with the Rules framed thereunder.

Messers S.S. Kothari Mehta & Company, Chartered Accountants, are eligible for re-appointment for a further period of 5 years and they have given their consent for their re-appointment as Statutory Auditors of the Company and have issued certificate confirming that their re-appointment, if made, will be within the limits prescribed under the provisions of Section 139 of the Companies Act, 2013 and the rules made thereunder. They have also confirmed that they have subjected themselves to the peer review process of Institute of Chartered Accountants of India and they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.

Based on the recommendations of the Audit Committee and the Board of Directors, it is hereby proposed to re-appoint Messers S.S. Kothari Mehta & Company, Chartered Accountants, as the Statutory Auditors of the Company for a second and final term of five consecutive years, who shall hold office from the conclusion of 15th AGM till the conclusion of the 20th AGM of the Company. The Board of Directors of your Company recommends re-appointment of Statutory Auditors of the Company. Necessary disclosures as required under Regulation 36(5) of SEBI LODR Regulations, 2015 forms part of the explanatory statement to the 15th AGM Notice of your Company.

Further, vide notification dated 7th May, 2018 issued by Ministry of Corporate Affairs, the requirement of seeking ratification of appointment of statutory auditors by members at each AGM has been done away with. Accordingly, no such item has been considered in notice of the 15th AGM.

Pursuant to provisions of Section 143(12) of the Companies Act, 2013, the Statutory Auditors have not reported any incident of fraud, during the year under review, to the Audit Committee of your Company.

#### **AUDIT QUALIFICATIONS**

M/s. S.S. Kothari Mehta & Company, Chartered Accountants and the Statutory Auditors of the Company have given a modified opinion on the Standalone and Consolidated Financial Statements of the Company for the Financial Year ended on 31st March, 2022 w.r.t. non-recognition of interest on ₹7,000 lakhs from July 01, 2019 onwards which, as per the statutory Auditors, is not in compliance of Ind AS 1 'Presentation of Financial Statements' read with Ind AS 109 'Financial Instruments'. Due to this, loss before tax of the company for the quarter ended March 31, 2022 has been understated by ₹220.07 lakhs and loss before tax of the Company for the year ended March 31, 2022 has been understated by ₹892.50 lakhs and the current liabilities as at March 31, 2022 has been understated by ₹2,457.43 lakhs.

The Board's Comment on the modified opinion given by the Statutory Auditors of the Company on the Standalone and Consolidated Financial Statements of the Company for the Financial Year ended on 31st March, 2022 has been suitably covered under notes to Accounts forming part of the Annual Report viz. note no. 16(ii) of the Standalone Financial Statements.

Further, the Auditors have also provided for "Key Audit Matters" (KAM) in the Auditors' Report, which are self-explanatory.



## SECRETARIAL AUDIT

Your Company has appointed Ms. Jayshri Tulsyan, Practicing Company Secretary and Partner - M/s. Jayshri Tulsyan & Associates, Kolkata, as the Secretarial Auditor of the Company, for the Financial Year 2021-22, to conduct the Secretarial Audit pursuant to Section 204 of the Companies Act, 2013, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

The Secretarial Audit Report for the Financial Year ended March 31, 2022 does not contain any qualification, reservation or adverse remark or disclaimer and has been set out as an Annexure to this Directors' Report.

## COST RECORDS AND AUDIT

Maintenance of cost records and requirement of cost audit as prescribed under the provisions of Section 148(1) of the Companies Act, 2013 is not applicable for the business activities carried out by the Company.

## ANNUAL RETURN

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return as on March 31, 2022 is available on the Company's website: <https://brnl.in/sites/default/files/report/Annual%20Return%20for%20the%20Financial%20Year%202021-22.pdf>

## BRNL WEBSITE

The website of your Company, [www.brnl.in](http://www.brnl.in) has been successfully running on the responsive technology based platform, known as 'Drupal', ensuring uniform display across all devices, like, mobile, tab, desktop, etc., and all the operating systems. The website has an inbuilt sophisticated and customized content management system for necessary change in content. A simple, improved navigation system enables the users to access the requisite information from different sections of the website with lesser number of clicks. The contemporary and smart look of the new website conforms to your company's brand guideline, while taking a customer and investor centric approach catering to the requirements of prospective customers, investors, employees and other stakeholders.

The site carries a comprehensive database of information of interest to the investors, including the Financial Results of your Company, dividend declared, Shareholding Pattern, any price sensitive information disclosed to the Regulatory Authorities from time to time, investor presentations, corporate profile and business activities, including project details of your Company and the services rendered by your Company.

## PARTICULARS OF EMPLOYEES

The prescribed particulars of remuneration of employees pursuant to the provisions of Section 197(12) of the Companies Act, 2013, read with Rule 5 the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, have been set out as an Annexure to this Directors' Report.

## PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

Your Company has no specific activity relating to Conservation of Energy and Technology Absorption, as stipulated in Rule 8(3) of the Companies (Accounts) Rules, 2014. However, your Company uses information technology extensively in its operations and also continues its endeavour to improve energy conservation and

utilization, safety and environment in operation of its Subsidiary and Associate Companies.

Your Company's operations are local and it has not earned and spent any foreign exchange during the year under review (Previous Year – Nil).

## DIRECTORS' RESPONSIBILITY STATEMENT

In terms of provisions of Section 134(3) and 134(5) of the Companies Act, 2013 ('Act'), read with relevant Rules made thereunder, the Directors hereby confirm that:

- (i) in the preparation of the Annual Accounts for the Financial Year ended 31st March, 2022, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (ii) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of your Company at the end of the Financial Year and of the profit of your Company for that period;
- (iii) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of your Company and for preventing and detecting fraud and other irregularities;
- (iv) the Directors have prepared the Annual Accounts for the Financial Year ended 31st March, 2022 on a going concern basis;
- (v) the Directors have laid down internal financial controls to be followed by your Company and that such internal financial controls are adequate and are operating effectively; and
- (vi) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Further, your Directors confirm that your Company has adequate internal systems and controls in place to ensure compliance of laws applicable to your Company.

## COMPLIANCE WITH SECRETARIAL STANDARDS

The Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India on the Board/Committee Meetings and General Meetings during the year under review.

## INSIDER TRADING CODE

Your Company has adopted a Code of Conduct to regulate, monitor and report trading by Designated Persons and their Immediate Relatives under the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

The Code is applicable to all Directors, Designated Persons and Insiders, who are expected to have access to Unpublished Prices Sensitive Information (UPSI). The Company Secretary is the Compliance Officer for monitoring adherence to the applicable Regulations.

## FAIR DISCLOSURE CODE

Pursuant to Regulation 8 read with Schedule A of the SEBI (Prohibition on Insider Trading) Regulations, 2015, the Board of Directors of your

Company have adopted the Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI) which lays down the principles and practices to be followed by the Company pertaining to universal disclosure of UPSI. The Chief Financial Officer of the Company, also designated as Chief Investor Relations Officer, is authorised to deal with dissemination of information and disclosure of UPSI in a fair and unbiased manner. The Code has been made available on the Company's website www.brnl.in.

### **BUSINESS RESPONSIBILITY REPORT**

The Business Responsibility Report as stipulated under Regulation 34(2)(f) of SEBI Listing Regulations, 2015, describing the initiatives taken by your Company from an environmental, social and governance perspective, forms part of the Annual Report.

### **CORPORATE GOVERNANCE**

Your Company strives to achieve highest standards of Corporate Governance and to take necessary steps at appropriate times for enhancing and meeting stakeholders' expectations while complying with the mandatory provisions of Corporate Governance.

As required under Regulation 34(3) of the SEBI Listing Regulations, 2015, read with Schedule V thereto, a separate section on Corporate Governance and a Certificate from Ms. Jayshri Tulsyan, Practicing Company Secretary and Partner - M/s. Jayshri Tulsyan & Associates, Kolkata, confirming compliance with the requirements of Corporate Governance, forms part of this Annual Report.

### **APPLICATION FILED BY IL&FS FINANCIAL SERVICES LIMITED AGAINST THE COMPANY UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016**

IL&FS Financial Services Limited (IFIN), which had extended a Term Loan facility amounting to ₹70 Crores to your Company had filed an application u/s 7 of the Insolvency and Bankruptcy Code, 2016 against your Company before the Hon'ble National Company Law Tribunal, Kolkata claiming its overdues.

Your Company also has a receivable of ₹114.19 Crores from IL&FS Group Company viz. IL&FS Transportation Networks Limited (ITNL). National Company Law Appellate Tribunal (NCLAT) has granted moratorium on recovery of such claims against all IL&FS Group Companies, including IFIN and ITNL. Your Company has taken steps, in consultation with its Lawyers, to contest the case for the recovery / Equitable set off of the concerning dues vis a vis the ILFS Group. The case is still pending before the Honorable Tribunal.

### **APPLICATION FILED BY ADMINISTRATOR OF SREI EQUIPMENT FINANCE LIMITED UNDER SECTION 60(5) AND 66 OF THE INSOLVENCY AND BANKRUPTCY CODE, 2016**

Reserve Bank of India (RBI) vide its Press Release dated 4th October, 2021 superseded the Board of your Company's Corporate Promoter SREI Infrastructure Finance Limited and its Wholly Owned Subsidiary SREI Equipment Finance Limited and appointed its Administrator in both of these Companies.

Subsequently, your Company has received a Notice of Motion by Administrator of Srei Equipment Finance Limited preferred before the Honorable National Company Law Tribunal, Kolkata Bench in the matter of Reserve Bank of India vs. Srei Equipment Finance Limited wherein the Company and its subsidiaries inter alia have been made a party amongst 11 respondents and the respondents

have been alleged of fraudulent loan transactions as per section 60(5) and 66 of the Insolvency and Bankruptcy Code, 2016, based on a Transaction Audit Report submitted to Srei Equipment Finance Limited.

In the opinion of the Board, the findings and allegations in the Report submitted are not based on proper appreciation of facts and that the said report is unilateral without affording any opportunity to the Company for discussion. Your Company is taking necessary legal steps to contest the matter.

### **GENERAL DISCLOSURES**

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions w.r.t these items during the year under review:

- Issue of equity shares with differential rights as to dividend, voting or otherwise;
- Issue of sweat equity shares;
- Your Company does not have any scheme of provision of money for the purchase of its own shares by employees or by trustees for the benefit of employees;
- There was no revision in the Financial Statements; and
- There was no change in the nature of business.

### **ACKNOWLEDGEMENT**

Your Directors would like to express their appreciation for the excellent support and co-operation received from Financial Institutions, Bankers, National Highway Authority of India (NHAI), Ministry of Corporate Affairs (MCA), Registrar of Companies (ROC), EPC Partners and SPV Partners and other stakeholders during the year under review. Your Directors also place on record their deep appreciation for the valuable contribution made by the Company's employees and look forward to their continued cooperation in realization of motto of the Company, "Behtar Raste, Badhta Bharat", in the years to come, as a Key partner of "MAKE IN INDIA" plans.

On behalf of the Board of Directors

**For Bharat Road Network Limited**

**Bajrang Kumar Choudhary**  
Managing Director  
DIN: 00441872

**Brahm Dutt**  
Chairman  
DIN: 05308908

Place : Kolkata  
Date : 13th August, 2022



**STATEMENT PURSUANT TO SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014 FOR THE FINANCIAL YEAR ENDED MARCH 31, 2022**

**i. The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year:**

Sl. No.	Name of the Director	*Remuneration (₹)	Median Remuneration of employees (₹)	Ratio (In times)
1.	Mr. Bajrang Kumar Choudhary	1,22,18,568	16,79,723	7.27
2.	Dr. (Ms.) Tuk Tuk Ghosh Kumar	-		NA
3.	Prof. Santanu Ray	-		NA
4.	#Mr. Vipin Kumar Saxena	-		NA
5.	Mr. Praful Tayal	-		NA
6.	Mr. Brahm Dutt	-		NA

NA –Not Applicable

\*Remuneration excludes sitting fees

#Mr. Vipin Kumar Saxena resigned as an Independent Director w.e.f. 30th May, 2022

**ii. The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Managing Director, Company Secretary or Manager, if any, in the Financial Year:**

Sl. No.	Name	Designation	*Remuneration of previous year (in ₹)	*Remuneration of Current year (in ₹)	% increase**
1.	Mr. Bajrang Kumar Choudhary	Managing Director	95,93,580	1,22,18,568	27.36
2.	Mr. Brahm Dutt	Chairman of the Board and Independent Director	-	-	NA
3.	Dr. (Ms.) Tuk Tuk Ghosh Kumar	Independent Director	-	-	NA
4.	Prof. Santanu Ray	Independent Director	-	-	NA
5.	Mr. Praful Tayal	Independent Director	-	-	NA
6.	@Mr. Vipin Kumar Saxena	Independent Director	-	-	NA
7.	%Mr. Arindam Bhowmick	Chief Financial Officer	15,94,212	6,94,204	%NA
8.	Mr. Naresh Mathur	Company Secretary	16,38,432	22,61,700	38.04
9.	#Mr. Chathanur Krishnan Ranganathan	Chief Financial Officer	-	33,44,927	#NA

NA –Not Applicable

\*Remuneration excludes sitting fees

\*\*No actual increase, the remuneration which was reduced during the FY 2020-21 by transferring portion of fixed salary to variable component was partly paid during the Financial Year 2021-22.

%Mr. Arindam Bhowmick was appointed as the Chief Financial Officer w.e.f. 24th July, 2020 and he resigned w.e.f. close of business hours on 29th June, 2021. The comparison in remuneration is not possible since employed for a part of the year.

#Mr. Chathanur Krishnan Ranganathan was appointed as the Chief Financial Officer of the Company w.e.f. close of business hours on 29th June, 2021. The comparison in remuneration is not possible since employed for a part of the year.

@Mr. Vipin Kumar Saxena resigned as an Independent Director w.e.f. 30th May, 2022

**iii. The percentage increase / decrease in the median remuneration of employees in the financial year:**

Median remuneration of previous year (₹)	Median remuneration of current year (₹)	% increase*
11,24,891	16,79,723	49.32

\*No actual increase, the remuneration which was reduced during the FY 2020-21 by transferring portion of fixed salary to variable component was partly paid during the Financial Year 2021-22.

**iv. The number of permanent employees on the rolls of Company:**

There were 12 employees as on 31st March, 2022.

**v. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:**

Sl. No.	Particulars	Average % increase
1.	Increase in salary of Managerial Personnel	-
2.	Increase in salary of employee (other than Managerial Personnel)	-

**vi. Affirmation that the remuneration is as per the remuneration policy of the Company:**

Yes it is confirmed.

**On behalf of the Board of Directors**

**For Bharat Road Network Limited**

**Bajrang Kumar Choudhary**

*Managing Director*

DIN: 00441872

**Brahm Dutt**

*Chairman*

DIN: 05308908

Place : Kolkata

Date : 13th August, 2022

## PARTICULARS OF EMPLOYEES

**Information as per Section 197(12) of the Companies Act, 2013 read with Rule 5(2) the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 for the Financial Year ended 31st March, 2022**

Sl. No.	Name	Age	Designation	Qualification	Remuneration (₹)	Date of commencement of employment	Working Experience (years)	Previous Employment	% of equity shares held by the employee in the Company
1.	Bajrang Kumar Choudhary	54	Managing Director	B. Com (Hons.), ACA	1,22,18,568	01.11.2016	27	Srei Infrastructure Finance Limited	0.01
2.	#Chathanur Krishnan Ranganathan	57	Chief Financial Officer	B. Com, ACA	#39,62,681	07.05.2021	33	AHL, Nigeria	-
3.	Manoj Ghosh	52	Senior Vice President	B.E., PGCBM	37,45,394	23.03.2021	27	Reliance Infrastructure Limited	-
4.	*Arindam Bhowmick	50	Chief Financial Officer	ACA	*26,70,662	20.08.2018	23	India Power Corporation Limited	-
5.	Naresh Mathur	58	Company Secretary	FCS	22,61,700	01.12.2017	37	Srei Equipment Finance Limited	-
6.	Manisha Chandalia	42	Associate Vice President	ACA	19,11,478	01.05.2019	16	Srei Mutual Fund Asset Management Pvt Ltd	-
7.	Praveen Kumar Jain	54	Vice President	ACA	14,47,968	01.07.2017	28	Srei Equipment Finance Limited	-
8.	Subhrajee Choudhary	42	Associate Vice President	Post Graduate in Journalism and Mass Communication	6,86,916	01.11.2016	19	Srei Infrastructure Finance Limited	-
9.	Om Prakash	41	Manager	M.A. Diploma in Civil Engineering	6,59,661	01.11.2016	16	Srei Infrastructure Finance Limited	-
10.	Panchali Ghosh	46	Manager	Post Graduate in International Relations	6,36,878	01.11.2016	15	Srei Infrastructure Finance Limited	-

#Mr. Chathanur Krishnan Ranganathan joined the Company on 07.05.2021 as Chief Revenue Officer and later was appointed as Chief Financial Officer w.e.f. close of business hours on 29th June, 2021. Remuneration is for the period 07.05.2021 to 31.03.2022.

\*Mr. Arindam Bhowmick resigned as the Chief Financial Officer w.e.f. close of business hours on 29th June, 2021. He however continued in the employment of the Company.

### Note:

- The aforesaid appointment is contractual and in accordance with the terms and conditions as per Company's rules and policies.
- Except as disclosed above, there are no other employees who are in receipt of aggregate remuneration of not less than rupees one crore and two lakh p.a. during the FY 2021-22 and there are no other employees who are in receipt of aggregate remuneration of not less than rupees eight lakh and fifty-thousand per month (if employed for part of the FY 2021-22).
- Remuneration includes Basic Salary, HRA, Special Allowance, Super Annuation Allowance, Conveyance allowance, Ex-gratia, LTA, Medical, Leave Encashment, Employer's contribution to Provident Fund, Employer's contribution to NPS, Gratuity paid (if any), Incentive and other Perquisites.
- No Employee is a relative of any Director of the Company.

**On behalf of the Board of Directors**

**For Bharat Road Network Limited**

**Bajrang Kumar Choudhary**  
Managing Director  
DIN: 00441872

**Brahm Dutt**  
Chairman  
DIN: 05308908

Place : Kolkata  
Date : 13th August, 2022

**FORM NO. AOC -2**

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014

**Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto****1. Details of contracts or arrangements or transactions not at Arm's length basis: Not Applicable**

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	
b)	Nature of contracts/arrangements/transaction	
c)	Duration of the contracts/arrangements/transaction	
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	
e)	Justification for entering into such contracts or arrangements or transactions'	
f)	Date of approval by the Board	
g)	Amount paid as advances, if any	
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	

**2. Details of contracts or arrangements or transactions at Arm's length basis:**

SL. No.	Particulars	Details
a)	Name(s) of the related party & nature of relationship	Guruvayoor Infrastructure Private Limited (Subsidiary Company)
b)	Nature of contracts/arrangements/transaction	Major Maintenance and Repair Work carried on by BRNL
c)	Duration of the contracts/arrangements/transaction	180 days (Tenure extendable as per mutual Consent )
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Providing and laying Bituminous Concrete overlay on project length for Main carriageway along with, Semi-dense Bituminous Concrete (SDBC) for Service Road for an amount of Rs. 37.7 Crs and Rs. 109.93 crs, totalling to Rs. 147.63 crs.Work worth Rs 85.46 crs completed during the Financial Year 2021-22
e)	Date of approval by the Board	01.06.2021 (approved by the Committee of Directors as per powers delegated to them by the Board)
f)	Amount paid as advances, if any	NIL

**On behalf of the Board of Directors****For Bharat Road Network Limited****Bajrang Kumar Choudhary***Managing Director*

DIN: 00441872

**Brahm Dutt***Chairman*

DIN: 05308908

Place : Kolkata

Date : 13th August, 2022

**CERTIFICATION BY MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER**

[Pursuant to Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

The Board of Directors  
Bharat Road Network Limited  
Plot No. X1 – 2 & 3, Ground Floor,  
Block – EP, Sector – V,  
Salt Lake City, Kolkata – 700 091

We, Bajrang Kumar Choudhary, Managing Director and Mr. Chathanur Krishnan Ranganathan, Chief Financial Officer of Bharat Road Network Limited, both certify to the Board that we have reviewed the Financial Statements and the Cash Flow Statement of the Company for the Financial Year ended on 31st March, 2022 and to the best of our knowledge and belief, we certify that –

1. These Statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
2. These Statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
3. To the best of our knowledge and belief, there are no fraudulent or illegal transactions and transactions violative of the Company's Code of Conduct.
4. For the purposes of financial reporting, we accept the responsibility for establishing and maintaining the internal controls which are monitored by the Company's Internal Audit Team and have evaluated based on feedbacks received from the Company's Internal Audit Team, the effectiveness of the internal control systems of the Company pertaining to financial reporting and have reported to the Auditors and the Audit Committee, the deficiencies, if any, in the operation and design of such internal controls and the steps taken or proposed to be taken to rectify the deficiencies.
5. We have indicated to the Auditors and the Audit Committee:
  - (i) significant changes, if any, in the internal controls over financial reporting during the year;
  - (ii) significant changes, if any, in accounting policies made during the year and the same have been disclosed in the notes to the financial statements; and
  - (iii) that there have been no instances of significant fraud, of which we have become aware and consequently no involvement therein, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

On behalf of the Board of Directors

For **Bharat Road Network Limited**

**Chathanur Krishnan Ranganathan**

*Chief Fincial Officer*

ICAI Membership No. 27670

**Bajrang Kumar Choudhary**

*Managing Director*

DIN: 00441872

Place : Kolkata

Date : 30th May, 2022

**PRACTICING COMPANY SECRETARIES CERTIFICATE REGARDING  
COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE**

To,  
The Members

The Board of Directors  
Bharat Road Network Limited  
Plot No. X1 – 2 & 3, Ground Floor  
Block – EP, Sector – V  
Salt Lake City, Kolkata – 700 091

We have examined the compliance of conditions of Corporate Governance by Bharat Road Network Limited ('the Company') for the year ended 31st March 2022, as stipulated in Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2) and paragraphs C, D, E and F of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

The compliance of conditions of Corporate Governance is the responsibility of the management. This responsibility also includes the design, implementation and maintenance of internal controls and procedures to ensure compliance with the conditions of the Corporate Governance stipulated in the Listing Regulations. Our examination was limited to the review of procedures and implementation thereof, as adopted by the Company for ensuring compliance with conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2) and paragraphs C, D E and F of Schedule V of the SEBI Listing Regulations for the year ended on March 31, 2022.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

Place : Kolkata  
Date : 13th August, 2022

For **Jayshri Tulsyan & Associates**  
*Company Secretaries*

**Jayshri Tulsyan**  
*Partner*  
C.P. No. : 8096  
UDIN : F007725D000793180



## ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES FOR THE FINANCIAL YEAR 2021-22

1. **Brief outline on CSR Policy of the Company:** The Board of Directors of the Company adopted the CSR Policy on 17th October, 2016 in compliance with the provisions of Section 135 of the Companies Act, 2013. The said policy was further revised on 29.06.2021 in order to align it with the latest Regulations pertaining to CSR viz. The Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021.

The CSR philosophy of BRNL is embedded in its commitment to all stakeholders including its shareholders, customers, employees and society. Our approach by practicing service to humanity has enabled us to continue fulfilling our commitment to be a socially responsible corporate citizen. Our objective is to manage our business in a way which produces a positive impact on the economy, society and environment. During the Financial Year 2021-22, the Company made its contribution towards promoting education and plans to increase such activities in coming years through such projects and programs in line with the CSR Policy.

2. **Composition of CSR Committee:**

Sl. No.	Name of Director	Designation/Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Dr. (Ms.) Tuk Tuk Ghosh Kumar	Chairperson, Non-Executive Independent Director	2	2
2.	Mr. Bajrang Kumar Choudhary	Member, Executive Director	2	2
3.	Mr. Praful Tayal	Member, Non-Executive Independent Director	2	2

3. **Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company-**

- **Composition of CSR Committee of the Board of Directors**  
[https://brnl.in/sites/default/files/report/Composition%20of%20various%20Committees%20to%20be%20uploaded%20on%20the%20website\\_LODR%20Regulations\\_2021.pdf](https://brnl.in/sites/default/files/report/Composition%20of%20various%20Committees%20to%20be%20uploaded%20on%20the%20website_LODR%20Regulations_2021.pdf)
- **Corporate Social Responsibility Policy and CSR projects approved by the board**  
[https://brnl.in/sites/default/files/report/Corporate%20Social%20Responsibility%20Policy\\_0.pdf](https://brnl.in/sites/default/files/report/Corporate%20Social%20Responsibility%20Policy_0.pdf)

4. **Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report):** N.A.

5. **Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any**

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be set off for the financial year, if any (in ₹)
1.	2020-21	43,000	NIL

6. **Average net profit / loss of the company as per section 135(5)-** ₹ (924.69) Lakhs

7. (a) **Two percent of average net profit of the company as per section 135(5)-** NIL

(b) **Surplus arising out of the CSR projects or programmes or activities of the previous financial years.** – N.A.

(c) **Amount required to be set off for the financial year-** N.A.

(d) **Total CSR obligation for the financial year (7a+7b-7c).** NIL

8. (a) **CSR amount spent or unspent for the financial year:**

Total Amount Spent for the Financial Year. (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
*8,00,000		N.A.		N.A.	

**(b) Details of CSR amount spent against ongoing projects for the financial year: N.A.**

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

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

(1) Sl. No.	(2) Name of the Project	(3) Item from the list of activities in schedule VII to the Act	(4) Local area (Yes/ No)	(5) Location of the project		(6) Amount spent for the project (in ₹)	(7) Mode of Implementation Direct(Yes/No)	(8) Mode of implementation - Through implementing agency	
				State	District			Name	CSR registration number
1.	Promoting Education	Clause (ii) of Schedule VII to Companies Act, 2013	Yes	West Bengal	Kolkata	8,00,000	No	Suryodaya Foundation	CSR00005921
<b>TOTAL</b>						<b>8,00,000</b>			

(d) Amount spent in Administrative Overheads- Nil

(e) Amount spent on Impact Assessment, if applicable - Nil

(f) Total amount spent for the Financial Year (8b+8c+8d+8e)- ₹ 8,00,000

(g) Excess amount for set off, if any- NIL

Sl. No.	Particular	Amount (in ₹)
(i)	Two percent of average net profit of the company as per section 135(5)	NIL
(ii)	Total amount spent for the Financial Year	*8,00,000
(iii)	Excess amount spent for the financial year [(ii)-(i)]	* 8,00,000
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	8,00,000

**9. (a) Details of Unspent CSR amount for the preceding three financial years: Nil**

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

**(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): N.A.**

(1) Sl. No.	(2) Project ID	(3) Name of the Project	(4) Financial Year in which the project was commenced	(5) Project duration	(6) Total amount allocated for the project (in ₹)	(7) Amount spent on the project in the reporting Financial Year (in ₹)	(8) Cumulative amount spent at the end of reporting Financial Year (in ₹)	(9) Status of the project - Completed /Ongoing
NIL								

\*Even though the requirement for the amount to be spent towards CSR was NIL, your Company has voluntarily contributed a sum of ₹8.00 Lakhs towards CSR to Suryodaya Foundation as recommended by the CSR Committee and as approved by the Board of Directors

**10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details). – N.A.**

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

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

On behalf of the Corporate Social Responsibility Committee

**Tuk Tuk Ghosh Kumar**  
*Chairperson, CSR Committee*  
*- Independent Director*  
DIN – 06547361

**Bajrang Kumar Choudhary**  
*Managing Director*  
DIN – 00441872

Place : Kolkata  
Date : 13th August, 2022

# BUSINESS RESPONSIBILITY REPORT

## SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

- Corporate Identity Number (CIN) of the Company:** L45203WB2006PLC112235
- Name of the Company:** Bharat Road Network Limited
- Registered address:** Plot No. X1 – 2 & 3, Ground Floor, Block – EP, Sector – V, Salt Lake City, Kolkata – 700 091
- Website:** www.brnl.in
- E-mail id:** corporate@brnl.in
- Financial Year reported:** 2021-22
- \*Sector(s) that the Company is engaged in (industrial activity code-wise):**

Sl. No.	Name and Description of Main Products / Services	NIC Code of the Product / Service
1.	Management Consultancy Activities, Toll Operation and Project Management Consultancy etc.	70200, 71100
2.	Interest and other Revenues from Investment Assets and Funds Invested	64300

\*as per National Industrial Classification of the Ministry of Statistics and Programme Implementation

- List three key products/services that the Company manufactures/provides (as in balance sheet):** BRNL is a road BOT company in India, focused on development, implementation, operation and maintenance of National and State Highway projects in several states in India. All of the Company's projects are implemented and held through Special Purpose Vehicles (SPVs), either through Subsidiaries or in partnership with other infrastructure players. The Company also provides services such as Management Consultancy Activities, Toll Operation and Project Management Consultancy in its Special Purpose Vehicles.
- Total number of locations where business activity is undertaken by the Company**
  - Number of International Locations (Provide details of major 5):** NIL
  - Number of National Locations:** Uttar Pradesh, Kerala, Haryana, Madhya Pradesh, Maharashtra, Jharkhand and Odisha
- Markets served by the Company – Local/State/National/International:** National /State

## SECTION B: FINANCIAL DETAILS OF THE COMPANY

- Paid up Capital (INR):** ₹83,95,00,000 comprising of 8,39,50,000 equity shares of ₹10/- each
- Total Turnover (INR):** ₹9124.20 lakhs
- Total profit after taxes (INR):** Rs. (32220.07) Lakhs
- Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%):** The Company has spent ₹8.00 Lakhs towards Corporate Social Responsibility voluntarily.
- List of activities in which expenditure in 4 above has been incurred –** Promotion of Education

## SECTION C: OTHER DETAILS

- Does the Company have any Subsidiary Company/ Companies?** – Yes. The Company has 3 subsidiary Companies as on 31st March, 2022.
- Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)** - No. The subsidiary companies participate in BR initiatives on a wide range of topics, as a part of their respective CSR initiatives.
- Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]** - No

## SECTION D: BR INFORMATION

- Details of Director/Directors responsible for BR**
  - Details of the Director/Directors responsible for implementation of the BR policy/policies
    - DIN - 00441872

2. Name – Mr. Bajrang Kumar Choudhary

3. Designation - Managing Director

(b) Details of the BR head

No.	Particulars	Details
1.	DIN (if applicable)	00441872
2.	Name	Mr. Bajrang Kumar Choudhary
3.	Designation	Managing Director
4.	Telephone number	033 6666 2701
5.	e-mail id	cs@brnl.in

## 2. Principle-wise (as per NVGs) BR Policy/policies

P1	Businesses should conduct and govern themselves with Ethics, Transparency and Accountability
P2	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.
P3	Businesses should promote the well-being of all employees.
P4	Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.
P5	Businesses should respect and promote human rights.
P6	Businesses should respect, protect and make efforts to restore the environment.
P7	Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.
P8	Businesses should support inclusive growth and equitable development.
P9	Businesses should engage with and provide value to their customers and consumers in a responsible manner.

(a) Details of compliance (Reply in Y/N)

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	Do you have a policy/ policies for....	Y	Y	Y	Y	Y	Y	Y	Y	Y
2.	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3.	Does the policy conform to any national / international standards? If yes, specify? (50 words)	The policies are based on NVG Guidelines								
4.	Has the policy being approved by the Board? Is yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
5.	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Yes, the Managing Director								
6.	Indicate the link for the policy to be viewed online?	<ol style="list-style-type: none"> <li>Whistle Blower Policy (Vigil Mechanism) is available at – <a href="https://brnl.in/sites/default/files/report/Vigil%20Mechanism.pdf">https://brnl.in/sites/default/files/report/Vigil%20Mechanism.pdf</a></li> <li>Corporate Social Responsibility (CSR) Policy is available at <a href="https://brnl.in/sites/default/files/report/Corporate%20Social%20Responsibility%20Policy_0.pdf">https://brnl.in/sites/default/files/report/Corporate%20Social%20Responsibility%20Policy_0.pdf</a></li> <li>Policy on Prevention of Sexual Harassment is available at – <a href="https://brnl.in/sites/default/files/report/Policy%20on%20Prevention%20of%20Sexual%20Harassment.pdf">https://brnl.in/sites/default/files/report/Policy%20on%20Prevention%20of%20Sexual%20Harassment.pdf</a></li> <li>BRNL Code of Conduct for Board of Directors and Senior Executives is available at – <a href="http://brnl.in/sites/default/files/report/3.%20Code%20of%20Conduct%20for%20Board%20of%20Directors%20and%20Senior%20Executives.pdf">http://brnl.in/sites/default/files/report/3.%20Code%20of%20Conduct%20for%20Board%20of%20Directors%20and%20Senior%20Executives.pdf</a></li> <li>Policy on Product Life Cycle Sustainability – Business Responsibility Policy based on Principle 2 is available at – <a href="https://brnl.in/sites/default/files/report/2.pdf">https://brnl.in/sites/default/files/report/2.pdf</a></li> <li>Policy on Preservation of Environment- Business Responsibility Policy based on Principle 6 is available at – <a href="https://brnl.in/sites/default/files/report/6.pdf">https://brnl.in/sites/default/files/report/6.pdf</a></li> <li>Policy on Responsible Advocacy- Business Responsibility Policy based on Principle 7 is available at - <a href="https://brnl.in/sites/default/files/report/7.pdf">https://brnl.in/sites/default/files/report/7.pdf</a></li> <li>Policy on Customer Value- Business Responsibility Policy based on Principle 9 is available at - <a href="https://brnl.in/sites/default/files/report/9.pdf">https://brnl.in/sites/default/files/report/9.pdf</a></li> </ol>								

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	The policies have been communicated to the stakeholders by displaying on the Company's website.								
8.	Does the company have in-house structure to implement the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
9.	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	-	-	-	-	-	-	-	-	-
10.	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	-	-	-	-	-	-	-	-	-

(b) **If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options) – N.A.**

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	The company has not understood the Principles									
2.	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3.	The company does not have financial or manpower resources available for the task									
4.	It is planned to be done within next 6 months									
5.	It is planned to be done within the next 1 year									
6.	Any other reason (please specify)									

### 3. Governance related to BR

- (a) **Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year** - The Company reviews it periodically.
- (b) **Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?** –BR report gets published annually as a part of its Annual Report, as required.

## SECTION E: PRINCIPLE-WISE PERFORMANCE

### Principle 1

1. **Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No. Does it extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs /Others?** - The Company endeavor to follow highest level of Corporate Governance and ethics. It has adopted internal Guidelines in the form of Codes / Policies like Vigil Mechanism (whistle blower policy) and Code of Conduct for Board of Directors and Senior Executives.

The Code of Conduct for Board of Directors and Senior Executives is applicable to the Board of Directors and Senior Executives (VPs and above) of the Company. The members of the Board of Directors and the members of the Senior Management of the Company are required to affirm annual compliance of this code.

This Code emphasizes and requires the Directors and Senior Executives of the Company to act honestly, fairly, ethically and with integrity. This Code helps the Directors and Senior Executives to conduct themselves in professional, courteous and respectful manner and also to ensure that their independent judgment is not sub-ordinated.

The Corporate Governance framework is further supported by a Vigil Mechanism Policy which serves as a mechanism for its Directors and employees to report any genuine concerns about any unethical behaviour, actual or suspected fraud or violation of the Code of Conduct without fear of reprisal, and hence to help ensure the Company continues to uphold its high standards.

2. **How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.**

Particulars	Pending as on March 31, 2021	Received During Financial Year 2021-22	Redressed During Financial Year 2021-22	Pending as on March 31, 2022
Shareholders Grievances	-	2	2	-
Complaints received under Whistle Blower	-	-	-	-

### Principle 2

1. **List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.**

We are committed towards creating a sustainable environment based on the principle of laying foundations for a progressive society by contributing and nurturing the growth of livelihoods, communities, and the country. With an objective towards aligning our business and operations with global best practices for creation of a sustainable business environment, we approach stakeholders concerns with a focus on improving connectivity and bringing the communities closer through our safe and reliable transportation network.

- **Rainwater Harvesting:** We consciously promote water conservation through Rainwater Harvesting technology across our various project sites. With an aim towards reducing reliance on imported water during construction activities at the project site, we strive to make best use of natural resource and subsequently reduce the risk of flooding, storm water runoff, and erosion. Rainwater Harvesting system using ground or land surface catchment areas have been adopted at our various locations as this system is globally recognized as less complex way of collecting rainwater than rooftop catchments. This system involves improving runoff capacity of the land surface through various techniques including collection of runoff with drain pipes and storage of collected water.
  - **Transplantation and Afforestation:** Construction of Roads often requires felling of trees along the project stretch. To offset the adverse impact of such activities, we undertake compensatory afforestation programme through systematic avenue and median plantation. By doing this, we not only ensure compliance to the NHAI norms on plantation but also contribute towards enhancement of aesthetic view of the corridors. Last year we have done tree transplantation work along the median stretch of Thrissur to Angamaly which had been widely recognized by Project Authority and general public. We had transplanted around 85 nos. big plants of around 10/12 Mtr. Height and small trees of around 30 nos along the project stretch.
  - **Recycling of Waste Materials:** We also celebrate the World Environment day across all our project entities to increase awareness about plantation and its positive impact on the society and environment. We have also taken up distribution of saplings to the road users on World Environment Day and used scrape PVC barrels for Toll beautification and use MS scrap materials for Green parking at our Paliyekkara toll plaza in Kerala.
2. **For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):**
    - (a) **Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?** - The Company and its SPVs endeavors at all times for optimum utilization of resources for the purpose.
    - (b) **Reduction during usage by consumers (energy, water) has been achieved since the previous year?** – The Company and its SPVs endeavors at all times for optimum utilization of resources for the purpose.
  3. **Does the company have procedures in place for sustainable sourcing (including transportation)?** - Yes
    - (a) **If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.** – Fuel, water and other inputs for SPVs are generally sourced from sources committed to such objectives.
  4. **Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?** - Yes
    - (a) **If yes, what steps have been taken to improve their capacity and capability of local and small vendors?** – Vendor development is an ongoing process within the Company and its SPVs.
  5. **Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as 10%). Also, provide details thereof, in about 50 words or so** - The Company continuously explores innovative ways and mechanism for waste recycling and utilization of the material to the extent possible. This year we celebrated the World Environment day on 5th Jun'22, with an aim of recycle and reuse. We used scrap PVC barrels for Toll beautification and use MS scrap materials for Green parking at our Paliyekkara toll plaza.
 

The utilization of construction waste materials and reusing them for construction and creating structures have been widely recognized as one of the most innovative and unique mechanism for waste recycling and utilization.

### Principle 3

1. **Please indicate the Total number of employees.** 12
2. **Please indicate the Total number of employees hired on temporary/contractual/casual basis.** - NIL
3. **Please indicate the Number of permanent women employees.** - 2
4. **Please indicate the Number of permanent employees with disabilities** - NIL
5. **Do you have an employee association that is recognized by management** - No
6. **What percentage of your permanent employees is members of this recognized employee association?** - NA
7. **Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.**

No.	Category	No of complaints filed during the financial year	No of complaints pending as on end of the financial year
1.	Child labour/forced labour/involuntary labour	NIL	NIL
2.	Sexual harassment	NIL	NIL
3.	Discriminatory employment	NIL	NIL

**8. What percentage of your under mentioned employees were given safety & skill upgradation training in the last year?**

- (a) **Permanent Employees:** 100%
- (b) **Permanent Women Employees:** 100%
- (c) **Casual/Temporary/Contractual Employees:** N.A.
- (d) **Employees with Disabilities:** N.A.

**Principle 4**

1. **Has the company mapped its internal and external stakeholders?** Yes. The Company has mapped its stakeholders i.e. shareholders, employees, banks and financial institutions, government and regulatory bodies and the local community.
2. **Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders?** - Yes
3. **Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders? If so, provide details thereof, in about 50 words or so** - The Company works towards creation of value for the society in a manner which is sustainable, scalable and replicable. As a part of Corporate Social Responsibility (CSR), the Company is actively engaged in deliberating and practicing humble service to Humanity on a sustainable basis. The Company perceives CSR as a strategic social investment aimed at uplifting the society at large, empowering individuals, making them self-reliant. Your Company through its CSR initiatives, imparts, promotes and spreads education for underprivileged children and weaker sections of the society, by making contribution towards sponsorship fees for students along with facilities, like free mid-day meals, text books, note books and school uniforms at subsidised rates.

**Principle 5**

1. **Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?** - The Company's Code of Conduct for Board and Senior Management and the Human Resource (HR) practices cover most of these aspects. The Company does not hire child labour, forced labour or involuntary labour. The Company never discriminates between its employees. Additionally, policies like Whistle Blower Policy, Policy against Sexual Harassment coupled with transparent HR processes and practices adequately cover the human rights aspects.
2. **How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?** - No complaint was received for human rights violation during the reporting period.

**Principle 6**

1. **Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/others.** - Yes, the Companies and its SPVs strives to preserve the environment by striking a balance between economic growth and preservation of the environment with due concern for ecology. The Company is committed to operate all its units in an environment friendly manner while protecting health and safety of its employees.
2. **Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.:** No
3. **Does the company identify and assess potential environmental risks?** Yes
4. **Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?**-No
5. **Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.**-No
6. **Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?** Not Applicable
7. **Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year** - Not Applicable



**Principle 7**

1. **Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:** Yes, the Company is a member of National Highway Builders Federation (NHBF).
2. **Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others) -** The Company periodically takes up matters concerning statutory and regulatory issues as also policies and reforms in the infrastructure sector through associations and chambers of commerce. The advocacy through these industry bodies, is done sometimes through sending of representations to the Government and Regulatory Bodies, sometimes through meetings with concerned officials and sometimes through organization of theme-specific conferences and seminars.

**Principle 8**

1. **Does the company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.** - Yes, the Company has specified programmes / initiatives / projects for pursuing its Corporate Social Responsibility (CSR) policy. As part of the CSR mandate, the Company focuses on promoting Education.

The Company's HR Practices also support inclusive growth and equitable development.

2. **Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/any other organization?** - The Company adopts multi-dimensional approach towards its social welfare program which includes contribution to the society through NGO's as well as through several in-house initiatives to ensure direct involvement of all the stakeholders which includes employees and the direct beneficiaries.

There are certain social welfare programme taken up through its contribution to Suryodaya Foundation / IISD Edu World for social upliftment of marginalized section of the society and empowering them with education and skill development programme.

Simultaneously, the Company also undertakes various development activities directly such as repair and rehabilitation of school building along toll plazas, health checkup facilities for communities along the project influence areas, environment management through plantation activities.

3. **Have you done any impact assessment of your initiative?** No
4. **What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken?** The Company has spent Rs. 8.00 Lakhs on CSR activities during the financial year ending on 31st March, 2022. The CSR activities were carried out in the area of Education.

Appropriate disclosures as prescribed under the Companies Act, 2013 have been made in the Annual Report for the year ending on 31st March, 2022.

5. **Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so -** The Company strives to engage with the local communities while taking up various social development initiatives to maximize impact and influence of such programme. The activities are taken up in consonance with the requirement of the local community through discussion and their active participation in the conceptualization and execution of the development programme. We encourage the community to deliberate, discuss and approach us with their necessities which are then taken up for execution through a clearly outlined due diligence process.

**Principle 9**

1. **What percentage of customer complaints/consumer cases are pending as on the end of financial year –** NIL w.r.t. the Company.
2. **Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. /Remarks (additional information) -** Not Applicable.
3. **Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year? If so, provide details thereof, in about 50 words or so -** Not Applicable to the Company
4. **Did your company carry out any consumer survey/ consumer satisfaction trends? -** Not Applicable

**SECRETARIAL AUDIT REPORT****FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2022**

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To  
The Members  
Bharat Road Network Limited  
CIN - L45203WB2006PLC112235  
Plot No. X1 – 2 & 3, Ground Floor,  
Block – EP, Sector – V,  
Salt Lake City, Kolkata – 700 091

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **BHARAT ROAD NETWORK LIMITED** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

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

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **BHARAT ROAD NETWORK LIMITED** for the financial year ended on 31st March, 2022 to the extent applicable:

The Companies Act, 2013 (the Act) and the rules made there under;

- (i) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under.
- (ii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under.
- (iii) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings.
- (iv) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (not applicable to the Company during the Audit Period);
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (not applicable to the Company during the Audit Period);
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (not applicable to the Company during the Audit Period);
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client.
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (not applicable to the Company during the Audit Period); and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 and 2018 (not applicable to the Company during the Audit Period).

We further report that after considering the Compliance system prevailing in the Company and after verification of relevant records and documents maintained by the Company, it is reported that the Company has inter alia, also complied with following laws:

- Employees Provident funds & Miscellaneous Provisions Act, 1952 and Schemes made there under.
- Employees State Insurance Act, 1948 and the rules and regulations made there under.
- The Payment of Gratuity Act, 1972 and the rules and regulations made there under.

- The Income Tax Act, 1961 and Indirect Tax Laws
- Payment of Bonus Act, 1965
- Shops And Commercial Establishments Act, 1958
- The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013
- The Maternity Benefit Act, 1961

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

- (a) Secretarial Standards with regards to Meeting of Board of Directors (SS-1) and General Meeting (SS-2) issued by The Institute of Company Secretaries of India (ICSI).
- (b) The Listing Agreements entered into by the Company with BSE Limited & National Stock Exchange of India Ltd.
- (c) The Securities & Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

**We further report that:**

1. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and a Women Director.
2. Adequate notice is given to all directors to schedule the Board Meetings/Committee Meetings. Information and circulation of the agenda with detailed information, thereof, convening of meeting was done in compliance with the applicable laws, rules, regulations and guidelines, etc. and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
3. Majority decision at the Board and Committee meetings are carried through, while the dissenting members' views, if any are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

Place : Kolkata  
Date : 13th August, 2022

For **Jayshri Tulsyan & Associates**  
*Company Secretaries*

**Jayshri Tulsyan**  
*Partner*  
C.P. No.: 8096  
UDIN : F007725D000791530

# REPORT ON CORPORATE GOVERNANCE

Corporate Governance is the combination of voluntary practices and compliance with laws and regulations leading to effective control and management of an organization. Good Corporate Governance leads to long term shareholders value and enhances interest of other stakeholders.

Bharat Road Network Limited ("BRNL") believes that any meaningful policy on Corporate Governance must empower the Executive Management of the Company. At the same time, Governance must create a mechanism of checks and balances to ensure that the decision-making powers vested in the Executive Management are used with care and responsibility to meet stakeholders' aspirations and societal expectations. The Company is committed to achieve the good standards of Corporate Governance on a continuous basis by laying emphasis on ethical corporate citizenship and establishment of good corporate cultures which aim at a true Corporate Governance.

BRNL understands and respects its fiduciary and trusteeship role and responsibility to its stakeholders and strives hard to meet their expectations. BRNL believes that Corporate Governance is a journey for constantly improving sustainable value creation and is an upward moving target.

Your Company's Equity Shares are listed on two Stock Exchanges in India, namely, BSE Limited and National Stock Exchange of India Limited. Your Company strives to achieve highest standards of Corporate Governance and take necessary steps at appropriate times for enhancing and meeting stakeholders' expectations while complying with the mandatory provisions of Corporate Governance. With this belief, your Company has complied with the Corporate Governance requirements of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations, 2015").

In accordance with the SEBI Listing Regulations, 2015, requisite details are as under:

## Mandatory Requirements

### Company's philosophy on Code of Governance

The philosophy of your Company in relation to Corporate Governance is to endeavor to maintain the highest standard of Corporate Governance through achievement of the following objectives:

1. To protect and facilitate the shareholders to exercise their rights;
  2. To provide adequate and timely information to all the stakeholders;
  3. To ensure equitable treatment to all shareholders;
  4. To enhance the stakeholders' value with strong emphasis on transparency, accountability and integrity, via optimum utilisation of the resources and ethical behavior of the enterprise; and
5. To ensure timely and accurate disclosure on all matters including financial situation, performance, ownership and governance of the Company.

There is a clear demarcation of duties and responsibilities among the Managing Director, Company Secretary, Chief Financial Officer and other Senior Managerial Personnel, to ensure best corporate performance and socio-economic value creation.

### Board of Directors:

#### • Composition:

The Board has a strength of 6 (six) Directors as on 31.03.2022 and 5 (five) Directors as on the date of this report. The Board comprises of optimum combination of Executive and Independent Directors, including a Woman Director, with more than 50 (fifty) per cent of the Board comprising of Independent Directors. In compliance with the requirements of the SEBI Listing Regulations, 2015, more than half of the board of directors comprises of Independent Directors.

As on 31st March, 2022, your Company has 1 (one) Executive Director and 5 (Five) Independent Directors on its Board, of which 1 (one) is a Woman Director. As on the date of this report, your Company has 1 (one) Executive Director and 4 (Four) Independent Directors on its Board, of which 1 (one) is a Woman Director.

The Company recognizes and embraces the benefits of having a diverse Board that possesses a balance of skills, experience, expertise and diversity of perspectives appropriate to the requirements of the businesses of the Company. The Company sees increasing diversity at Board level as an essential element in maintaining a competitive advantage. A truly diverse Board will include and make good use of differences in the skills, regional and industry experience, background, race, gender and other distinctions between Directors. These differences will be considered in determining the optimum composition of the Board and when possible should be balanced appropriately. The Company has framed a Policy on Board Diversity which sets out the approach to diversity on the Board of Directors of the Company.

During the year, majority of the Board comprised of Independent Directors. Independent Directors play a crucial role in maintaining balance to the Board processes by bringing independent judgment on issues of strategy, performance, resources, technology, finance, standards of the Company, conduct, etc.

In compliance of the SEBI Listing Regulations, 2015:

- (a) \*None of the Director serves as a Director in more than 8 (Eight) listed entities;
- (b) \*None of the Directors on the Board serve as an Independent Director of more than 7 (Seven) listed entities across all entities in which he/she is a Director.
- (c) \*The Whole time Director / Managing Director is not serving as an Independent Director in any listed company.

- (d) \*\*None of the Director is a member of more than 10 (ten) Board Level Committees nor are they Chairperson of more than 5 (five) Committees in which they are members across all the listed entities where they are directors;

\*Entities whose equity shares are listed on a Stock Exchange have been considered.

\*\*For assessment of these criteria, the membership/chairmanship of the Audit Committee and the Stakeholders' Relationship Committee alone has been considered and the limit of the committees on which a director may serve in all public limited companies (including deemed public companies), whether listed or not, has been included and all other companies including private limited companies, foreign companies and companies under Section 8 of the Companies Act, 2013 have been excluded.

Further, in compliance with Section 165 of the Companies Act, 2013, none of the Directors on the Board hold directorship in more than

20 (Twenty) companies at the same time with the directorship in public companies not exceeding 10 (Ten). All the Directors have made necessary disclosures regarding committee positions / directorship occupied by them in other listed entities/public limited companies (whether listed or not) in accordance with Regulation 26 of the SEBI Listing Regulations, 2015.

The Composition of the Board of Directors is in conformity with the provisions of Section 149 of the Companies Act, 2013 and Regulation 17 of the SEBI Listing Regulations, 2015. The details of the Board of Directors as on 31st March, 2022 and as on the date of this report are as under:

Sl. No.	Directors	DIN	Category
1.	Mr. Brahm Dutt	05308908	Non-Executive and Independent Director
2.	Mr. Bajrang Kumar Choudhary	00441872	Managing Director – Executive Director
3.	Dr. (Ms.) Tuk Tuk Ghosh Kumar	06547361	Non-Executive and Independent Director (Woman Director)
4.	Prof. Santanu Ray	00642736	Non-Executive and Independent Director
5.	Mr. Praful Tayal	00826834	Non-Executive and Independent Director
6.	*Mr. Vipin Kumar Saxena	08889866	Non-Executive and Independent Director

\*Resigned w.e.f. 30th May, 2022

None of the Directors of the Company are related to any other Director on the Board.

Your Company has in place Directors' and Officers' Liability Insurance Policy for an amount of Rs. 15,00,00,000/- (Rupees Fifteen Crore only) in order to safeguard and protect the interests of the Directors from any contingent liabilities. The said Policy is renewed annually.

#### Shareholding of Directors & Key Managerial Personnel (KMP)

As on 31st March, 2022, Mr. Bajrang Kumar Choudhary, Managing Director (MD), Mr. Chathanur Krishnana Ranganathan, Chief Financial Officer (CFO) and Mr. Naresh Mathur, Company Secretary (CS), are the Whole-time Key Managerial Personnel (KMP) of the Company, in accordance with Section 203 of the Companies Act, 2013.

Mr. Chathanur Krishnan Ranganathan tendered his resignation as a Chief Financial Officer of the Company w.e.f. close of business hours on 30th July, 2022.

Mr. Bajrang Kumar Choudhary, Managing Director holds 9,589 shares in the Company as on March 31, 2022 and as on the date of this report. There has been no change in his shareholding during the year under review.

None of the Independent Directors of your Company hold any shares or other convertible instruments in the Company.

Except Mr. Bajrang Kumar Choudhary, none of the other Key Managerial Personnel (KMP) holds any equity shares in the Company.

#### Appointment of Directors

The Board has formulated the Nomination and Remuneration Policy for Directors, Key Managerial Personnel (KMP) and other employees in terms of the provisions of the Companies Act, 2013 and the SEBI Listing Regulations, 2015. The said Policy outlines the appointment criteria and qualifications, the term/tenure of the Directors on the Board of the Company and the matters related to their remuneration. The link to the said Policy has been provided elsewhere in this Annual Report.

#### Succession Plan

The Company recognizes the importance of effective executive leadership to its success and has initiated requisite steps to put in

place a Succession Plan for appointments to the Board and to the Senior Management. The Nomination and Remuneration Committee of the Company is entrusted with the responsibility to oversee succession planning for the Board and the Senior Management.

#### Responsibilities

The Board looks after strategic planning and policy formulation. The Managing Director is responsible for inter alia, corporate strategy, planning, external contacts and Board matters. The Senior Management Personnel heading respective divisions are responsible for all day-to-day operational issues, profitability, productivity, recruitment and employee retention for their divisions.

#### Independent Directors (IDs)

As on 31st March, 2022, your Company has 5 (five) Independent Directors on its Board out of the total strength of 6 (six) Directors and as on the date of this report, your Company has 4 (four) Independent Directors on its Board out of the total strength of 5 (five) Directors.

Mr. Vipin Kumar Saxena tendered his resignation as an Independent Director of your Company w.e.f. 30th May, 2022 due to personal reason. He has confirmed vide his resignation letter that there are no other material reason other than the reason provided for his resignation.

All the Independent Directors of the Company furnish a declaration at the time of their appointment and also annually that they qualify the tests of their being independent as laid down under Section 149(6) of the Companies Act, 2013 and the SEBI Listing Regulations, 2015. All requisite declarations, as received from Independent Directors, were duly placed before the Board and in the opinion of the Board, all the Independent Directors satisfy the criteria of independence as defined under the Companies Act, 2013 and SEBI Listing Regulations, 2015 and are independent of Management.

#### Meeting of Independent Directors (IDs)

The Independent Directors (IDs) met on 13th August, 2022 without the presence of other members on the Board of Directors and the Management Team. The Meeting enabled them to discuss various



matters pertaining to the Company's affairs and thereafter, they put forth their combined views to the Board. The IDs reviewed the quality, quantity and timeliness of flow of information between the Company Management and the Board which is necessary for the Board to effectively and reasonably perform its duties. The IDs also evaluated the performance of Chairperson, other Non-Independent Director and Board as a whole.

### Familiarization Programmes for IDs

In terms of Regulation 25(7) of the SEBI Listing Regulations, 2015, the Company is required to conduct Familiarisation Programme for its IDs to familiarise them about the Company, including nature of industry in which the Company operates, business model of the Company, roles, rights and responsibilities of IDs and any other relevant information. Further, pursuant to Regulation 46 of SEBI Listing Regulations, 2015, the Company is required to disseminate on its website, details of familiarization programme imparted to IDs, including the details of (i) number of programmes attended by IDs (during the year and on a cumulative basis till date), (ii) number of hours spent by IDs in such programmes (during the year and on a cumulative basis till date), and (iii) other relevant details.

The familiarization programmes conducted for the IDs are in line with the Policy adopted by the Board of Directors in connection thereof. Members of the Board have complete access to the information within the Company and IDs get an opportunity to interact with Officials of the Management. The Management provides information as detailed in the Familiarization Policy for the IDs either at the Board Meeting(s) or Committee Meeting(s) or otherwise. IDs have the freedom to interact with the Company's Management. They are given all documents sought by them for enabling a good

understanding of the Company, its various operations and industry segments of which it is a part.

Further, the Management of your Company makes various presentations to the IDs on an ongoing basis which, inter alia, includes Company overview, various business verticals, latest key business highlights, financial statements and evolution as part of the familiarisation programme.

The Board has open channels of communication with executive management which allows free flow of communication among Directors in terms of raising query, seeking clarifications and other related information.

The Company Secretary also regularly apprises the Board Members about their roles, rights and responsibilities in your Company, from time to time, as per the requirements of the SEBI Listing Regulations, 2015, Companies Act, 2013, read together with the Rules and Schedules thereunder and other relevant laws.

The link to the details of familiarization programmes imparted to IDs, as required under Regulation 46 of SEBI Listing Regulations, 2015, has been provided elsewhere in this Annual Report.

### Key skills/expertise/competence of the Board of Directors

The Board of Directors of the Company comprises qualified members who bring in the required skills, expertise, and competence to allow them to make effective contribution to the Board and its Committees. The Board members are committed to ensuring that the Board is in well compliance with the highest standards of corporate governance.

In terms of SEBI Listing Regulations, 2015, the Company identified the following list of core skills/expertise/competencies required in the context of the Company's business(es) and sector(s) for it to function effectively and those which are actually available with the Board:

<b>Management and leadership experience</b>	Management and leadership experience in the areas of business development, strategic planning, merger and acquisition, investments / divestments, guiding and leading the management teams to make informed decisions.
<b>Industry Experience</b>	Deep domain knowledge and expertise in Roads and Highways Sector, in-depth understanding of sectorial policies and Regulatory Affairs, quantitative and qualitative analysis of contractual obligations, understanding of key geographies.
<b>Diversity</b>	Diversity of thought, experience, knowledge, perspective, gender and culture.
<b>Functional and managerial experience</b>	Knowledge and skills in accounting and finance, tax, business judgment, general management practices and processes, legal, crisis response and management, macro-economic perspectives, human resources, labour laws and risk management.
<b>Corporate Governance</b>	Experience in developing and implementing good corporate governance practices, maintaining board and management accountability, managing stakeholders' interests and Company's responsibilities towards customers, employees, suppliers, regulatory bodies and the communities in which it operates.

Further, in the table below, the specific areas of skills/expertise/competencies of individual Board members have been highlighted:

Name of the Director	Skills/Expertise/Competencies				
	Management and leadership experience	Industry Experience	Diversity	Functional and managerial experience	Corporate Governance
Mr. Praful Tayal	✓	✓	✓	✓	✓
Dr. (Ms.) Tuk Tuk Ghosh Kumar	✓	✓	✓	-	✓
Prof. Santanu Ray	✓	✓	✓	✓	✓
Mr. Brahm Dutt	✓	✓	✓	✓	✓
Mr. Bajrang Kumar Choudhary	✓	✓	✓	✓	✓
#Mr. Vipin Kumar Saxena	✓	✓	✓	✓	✓

#Resigned w.e.f. 30.05.2022

## Meetings

4 (Four) Meetings of the Board of Directors of the Company were held during the Financial Year 2021-22 on 29th June, 2021, 11th August, 2021, 13th November, 2021 and 11th February, 2022.

The maximum time gap between any two consecutive meetings did not exceed 120 (One Hundred Twenty) days. Further, in line with Paragraph 4 of Schedule B of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, the Company endeavors that the gap between the clearance of accounts by audit committee and approval of accounts at the board meeting is as narrow as possible.

The Board meets at least once in a quarter to review the business performance and other items of the agenda. Whenever necessary, additional meetings are held. In case of business exigencies or urgency of matters, resolutions are passed by circulation. Meetings are governed by structured agenda and all major agenda items are backed by comprehensive background information to enable the Board to take informed decisions. In addition, specific cases of acquisitions / divestment, important managerial decisions, material positive/negative developments and statutory matters are also presented to the Board for their approval.

As a system, the Agenda papers, along with the explanatory notes, for Board Meetings are circulated well in advance to the Directors. Information is provided to the Board Members on a continuous basis for their review, inputs and approval from time to time. Every Board Member is free to suggest items for inclusion in the Agenda. The information as specified in Part A of Schedule II read with

Regulation 17(7) of SEBI Listing Regulations, 2015 is regularly made available to the Board, whenever applicable, for discussion and consideration. Considerable time is spent by the Directors on discussions and deliberations at the Board Meetings.

In some instances, documents are tabled at the Meetings and presentations are also made by the respective executives on the matters related to them at the Board Meetings. Documents containing Unpublished Price Sensitive Information (UPSI) are submitted to the Board and Committee Members, at a shorter notice, as per the general consent taken from the Board, from time to time.

Further, in compliance with the Secretarial Standard –1 on 'Meetings of the Board of Directors' (SS-1) issued by the Institute of Company Secretaries of India (ICSI), any item not included in the Agenda is taken up for consideration before the Board with the permission of the Chairman and with the consent of majority of Directors present at the Meeting.

In compliance with the Secretarial Standard –1 on 'Meetings of the Board of Directors' (SS-1), the Company Secretary records minutes of proceedings of each Board and Committee Meeting. Draft minutes are circulated to the Board/Committee members within 15 (fifteen) days from the date of conclusion of the Meeting for their comments and the Minutes are entered in the Minutes Book within 30 (thirty) days from the date of conclusion of the Meeting. Action Taken Report on the decisions of the previous Meeting(s) is placed at the immediately succeeding Meeting of the Board/Committee(s) for information and review by the Board/Committee(s).

### Attendance of each Director at Board Meetings held during the Financial Year 2021-22 and at the last Annual General Meeting (AGM):

Directors	No. of Board Meetings		Attendance at last AGM held on 29.09.2021
	Held	Attended	
Mr. Brahm Dutt	4	4	Yes
Mr. Bajrang Kumar Choudhary	4	4	Yes
Dr. (Ms.) Tuk Tuk Ghosh Kumar	4	4	Yes
Prof. Santanu Ray	4	4	Yes
Mr. Praful Tayal	4	4	Yes
!Mr. Vipin Kumar Saxena	4	3	Yes

!Mr. Vipin Kumar Saxena resigned as an Independent Director w.e.f. 30.05.2022

**Number of other Companies and Committees in which the Director is a Member / Chairman**

The following table gives the number of outside directorships and the Committee positions held by each of the Directors as on the date of this report –

Directors	No. of Directorship in other Companies (i.e., other than Bharat Road Network Limited)		No. of Committee positions held in Indian Public Limited Companies (other than Bharat Road Network Limited)***		#List of Directorship in other listed entities and Category of directorship		
	Indian Public Limited Companies*	Others**	Chairman	Member			
Mr. Brahm Dutt	–	–	–	–	–		
Mr. Bajrang Kumar Choudhary	–	–	–	–	–		
Dr. (Ms.) Tuk Tuk Ghosh Kumar	2	1	1	2	–		
Mr. Praful Tayal	4	9	2	1	–		
Prof. Santanu Ray	3	–	1	3	<b>Name of the Company</b>	<b>Category of Directorship</b>	
					La Opala R G Limited		Independent Director
					Star Cement Limited		
					SKP Securities Ltd		
!Mr. Vipin Kumar Saxena	–	–	–	–	–		

!Mr. Vipin Kumar Saxena resigned as an Independent Director w.e.f. 30.05.2022

\*Includes Directorships in private companies that are subsidiaries of a public company (deemed Public Companies)

\*\*Includes Directorships in private limited companies (other than private companies that are subsidiary company of a public company), foreign entities, companies under Section 8 of the Companies Act, 2013, alternate Directorships, Directorship/Memberships of Managing Committees of various Chambers/ Institutions/Universities and proprietorship of firms.

\*\*\*Includes only Audit Committee and Stakeholders' Relationship Committee of public limited companies (includes private companies which are subsidiaries of public companies), whether listed or not.

#Listed entities have been identified from confirmations / declarations received from respective Directors and Corporate Identification Number (CIN) as available on the Ministry of Corporate Affairs' (MCA) website for companies and exclude directorship(s) in foreign listed entities.

**Board Committees**

The Board has constituted various Committees consisting of Executive and Non-Executive Directors to focus on the critical functions of the Company. The Board Committees play a crucial role in the governance structure of the Company and are being set up to deal with specific areas/activities which concern the Company and need a closer review. They are set up under the formal approval of the Board, to carry out the clearly defined role which is considered to be performed by Members of the Board, as a part of good Corporate Governance practice. The Board supervises the execution of its responsibilities by the Committees and is responsible for their action. All observations, recommendations and decisions of the Committees are placed before the Board for information or for approval, as the case may be. Further, minutes of proceedings of the Committees are circulated to the Members thereof and are placed before the Board, at its Meetings, for noting thereat.

The Company has the following Board level committees as on 31st March, 2022 and as on the date of this Report:

- A. Audit Committee
- B. Nomination & Remuneration Committee

- C. Stakeholders' Relationship Committee
- D. Corporate Social Responsibility Committee
- E. Committee of Directors

The Board is authorized to constitute additional functional committees, from time to time, depending on business needs.

The Terms of Reference for the various Committees, including their roles and powers, is in accordance with the relevant provisions of Companies Act, 2013, the SEBI Listing Regulations, 2015 and other applicable Rules and Regulations issued by the concerned Regulators, from time to time.

Each of the Committees has the authority to engage outside experts, advisors and counsels to the extent it considers appropriate to assist in its function.

**A. Audit Committee**

The Audit Committee has been constituted in line with the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI Listing Regulations, 2015 and the details regarding constitution of the Audit Committee has been given in the Directors' Report forming part of this Annual Report.

The Audit Committee of your Company comprises of the following Members as on 31st March, 2022 and as on the date of this report:

Sl. No.	Name	Category	Designation
1.	Mr. Brahm Dutt	Independent Director	Chairman
2.	Prof. Santanu Ray	Independent Director	Member
3.	Dr. (Ms.) Tuk Tuk Ghosh Kumar	Independent Director	Member

The Managing Director and the Statutory Auditors of the Company are invited to attend the Meetings of the Committee. The Committee also invites senior executives at its Meetings, as and when it considers appropriate.

The representatives of Internal Auditors and the Chief Financial Officer (CFO) of the Company attend the meetings of the Audit Committee as invitees and the Company Secretary acts as the Secretary to the Committee.

All the Members of the Audit Committee are financially literate and have accounting or related financial management expertise.

The Terms of Reference of this Committee inter alia includes oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the Financial Statement is correct, sufficient and credible, recommending appointment, remuneration and terms of appointment of auditors, reviewing/examining quarterly and annual Financial Statements and Auditor's Report(s) thereon, before submission to the Board for approval, evaluate Company's internal financial controls and risk management systems, reviewing performance of statutory and internal auditors and adequacy of internal control systems, reviewing the functioning of the Whistle Blower Mechanism and other matters specified for Audit Committee in its Terms of Reference drawn as per Section 177 of the Companies Act, 2013, the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 18 of the SEBI Listing Regulations, 2015, read with Schedule II thereto.

During the Financial Year 2021-22, 5 (five) Meetings of the Audit Committee were held. Moreover, the requisite quorum was present in all the Meetings of the Audit Committee held during the year.

#### Details of Audit Committee Meetings during the Financial Year:

Sl. No.	Date	Committee Strength	No. of Members Present
1.	3rd June, 2021	3	3
2.	29th June, 2021	3	3
3.	11th August, 2021	3	3
4.	13th November, 2021	3	3
5.	11th February, 2022	3	3

#### Attendance at Audit Committee Meetings during the Financial Year:

Member	No. of Meetings	
	Held	Attended
Mr. Brahm Dutt	5	5
Dr. (Ms.) Tuk Tuk Ghosh Kumar	5	5
Prof. Santanu Ray	5	5

#### B. Nomination and Remuneration Committee

The Nomination and Remuneration Committee has been constituted in line with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI Listing Regulations, 2015 and the details regarding constitution of the Nomination and Remuneration Committee has been given in the Directors' Report forming part of this Annual Report.

The Nomination and Remuneration Committee of your Company comprises of the following Members as on 31st March, 2022 and as on the date of this report:

Sl. No.	Name	Category	Designation
1.	Prof. Santanu Ray	Independent Director	Chairman
2.	Mr. Brahm Dutt	Independent Director	Member
3.	Dr. (Ms.) Tuk Tuk Ghosh Kumar	Independent Director	Member

Mr. Naresh Mathur, Company Secretary, acts as the Secretary to the Committee.

The Committee evaluates the composition and organization of the Board and its Committees in light of requirements established by any regulatory body or any other applicable Statutes, Rules and Regulations, which the Committee deems relevant, makes recommendations to the Board of Directors in respect to the appointment, re-appointment and resignation of Independent, Executive and Non-Executive Directors of the Company, identifies the persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down, recommends to the Board their appointment and removal and other matters specified for Nomination and Remuneration Committee under Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI Listing Regulations, 2015, read with Schedule II thereto.

During the Financial Year 2021-22, 2 (two) meetings of the Nomination and Remuneration Committee were held. Moreover, the requisite quorum was present at all the meetings of Nomination and Remuneration Committee held during the year.

#### Details of Nomination and Remuneration Committee Meetings held during the Financial Year:

Sl. No.	Date	Committee Strength	No. of Members Present
1.	28th June, 2021	3	3
2.	6th December, 2021	3	3

### Attendance at Nomination and Remuneration Committee Meetings during the Financial Year:

Member	No. of Meetings	
	Held	Attended
Mr. Brahm Dutt	2	2
Dr. (Ms.) Tuk Tuk Ghosh Kumar	2	2
Prof. Santanu Ray	2	2

### Performance Evaluation

The Nomination and Remuneration Committee (NRC) of your Company has formulated and laid down criteria for Performance Evaluation and has adopted a formal mechanism for evaluating the performance and effectiveness of the Board (including Committees) and every Director (including Managing Director, Independent Directors and Chairman of the Board) pursuant to provisions of Section 134, Section 149 read with the Code for Independent Directors (Schedule IV), Section 178 of the Companies Act, 2013 and Regulation 19(4) read with Part D of Schedule II of SEBI Listing Regulations, 2015 covering, inter alia, the following parameters:

- Board Evaluation - degree of fulfilment of key responsibilities; Board culture and dynamics, amongst others;
- Board Committee Evaluation - effectiveness of meetings; Committee dynamics amongst others; and
- Individual Director Evaluation (including Independent Directors) - contribution at Board Meetings, fulfilment of criteria of independence for independence director, amongst others.

The detailed note of Performance Evaluation has been given in the Directors' Report, forming part of this Annual Report.

### C. Stakeholders Relationship Committee

The Stakeholders' Relationship Committee (SRC) has been constituted in line with the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of the SEBI Listing Regulations, 2015.

The Stakeholders Relationship Committee comprises of the following Members as on 31st March, 2022 and as on the date of this report:

Sl. No.	Name	Category	Designation
1.	Mr. Praful Tayal	Independent Director	Chairman
2.	Mr. Brahm Dutt	Independent Director	Member
3.	Mr. Bajrang Kumar Choudhary	Executive Director	Member

Mr. Naresh Mathur, Company Secretary acts as the Secretary to the Committee and is assigned with the responsibilities of overseeing investor grievances.

The Committee oversees and reviews redressal of shareholder and investor grievances, transfer & transmission of shares, issue of duplicate share certificates, exchange of new design share certificates,

recording dematerialisation and rematerialisation of shares, deal with matters relating to BRNL Code of Conduct for Prohibition of Insider Trading (BRNL Insider Code) framed in line with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and other related matters.

During the Financial Year 2021-22, 1 (One) Meeting of the Committee was held. Moreover, the requisite quorum was present at the meeting of Stakeholders Relationship Committee held during the year.

### Details of Stakeholders Relationship Committee Meetings during the Financial Year:

Sl. No.	Date	Committee Strength	No. of Members Present
1.	28th June, 2021	3	3

### Attendance at Stakeholders Relationship Committee Meeting during the Financial Year:

Member	No. of Meetings	
	Held	Attended
Mr. Brahm Dutt	1	1
Mr. Bajrang Kumar Choudhary	1	1
Mr. Praful Tayal	1	1

### Status of Investors' Grievances for Equity Shares:

The Company has formulated and put in place a comprehensive Investor Grievance Redressal Mechanism prescribing the standards of shareholders' service & grievance redressal procedure and mechanism to be adhered to by the Registrar and Share Transfer Agents as well as by the Company. The said mechanism has also been hosted on the website of the Company, www.brnl.in. Equity Shareholders can write to the Company at cs@brnl.in on a day to day basis.

During the Financial Year 2021-22, the Company received 2 (two) complaints from the equity shareholders as received and confirmed by the Registrar and Share Transfer Agent. The Company had NIL complaints as on 31st March, 2022.

Further, pursuant to Regulation 13(3) read with Regulation 13(4) of the SEBI Listing Regulations, 2015, Statements of Investor Complaints, as received from the Registrar & Share Transfer Agents, KFin Technologies Limited for Equity shares, were filed with the Stock Exchanges, on a quarterly basis and the said Statements were also placed before the Board of Directors for information and noting at their subsequent Meetings.

### D. Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee has been constituted in line with the provisions of Section 135 of the Companies Act, 2013.



The Corporate Social Responsibility Committee of your Company comprises of the following Members as on 31st March, 2022 and as on the date of this report:

Sl. No.	Name	Category	Designation
1.	Dr. (Ms.) Tuk Tuk Ghosh Kumar	Independent Director	Chairman
2.	Mr. Bajrang Kumar Choudhary	Executive Director	Member
3.	Mr. Praful Tayal	Independent Director	Member

Mr. Naresh Mathur, Company Secretary acts as the Secretary to the Committee.

The Committee is responsible for monitoring the Corporate Social Responsibility Policy ('CSR Policy') of the Company, from time to time, to recommend to the Board of Directors amount to be spent towards CSR, to institute a transparent monitoring mechanism for implementation of the CSR projects or programs or activities undertaken by the Company, etc. The Company's CSR Policy is available on the Company's website, www.brnl.in and a link to the said Policy has been provided elsewhere in this Annual Report.

During the Financial Year 2021-22, 2 (two) Meetings of the Corporate Social Responsibility (CSR) Committee were held. Moreover, the requisite quorum was present at all the meetings of Corporate Social Responsibility Committee held during the year.

#### Details of Corporate Social Responsibility Committee Meeting during the financial year:

Sl. No.	Date	Committee Strength	No. of Members Present
1.	28th June, 2021	3	3
2.	10th February, 2022	3	3

#### Remuneration of Directors

Details of Remuneration paid to Directors for the Financial Year ended March 31, 2022 are as follows:

(Amount in ₹)

Name of Director	Sitting Fees	Salary & Perquisites (+ Bonus & Pension)	Commission	Total
Mr. Bajrang Kumar Choudhary	N.A.	1,22,18,568	-	1,22,18,568
Dr. (Ms.) Tuk Tuk Ghosh Kumar	3,75,000	-	-	3,75,000
Prof. Santanu Ray	3,65,000	-	-	3,65,000
Brahm Dutt	3,65,000	-	-	3,65,000
Praful Tayal	2,50,000	-	-	2,50,000
Vipin Kumar Saxena	1,60,000	-	-	1,60,000

# Ceased to be an Independent Director w.e.f. 30th May, 2022

The appointment of Whole time Director / Managing Director is governed by resolution passed by the Nomination and Remuneration Committee, Board of Directors and the Shareholders of the Company, which covers the terms and conditions of such appointment, including remuneration. Further, payment of remuneration to Whole time Director / Managing Director is also governed by the agreement executed between him and the Company, and approval of Shareholders. The tenure of office of the Managing Director is presently for 3 (Three) years, effective from 1st November, 2019 and as approved by the shareholders at the 12th Annual General Meeting of the

#### Attendance at Corporate Social Responsibility Committee Meeting during the Financial Year:

Member	No. of Meetings	
	Held	Attended
Dr. (Ms.) Tuk Tuk Ghosh Kumar	2	2
Mr. Praful Tayal	2	2
Mr. Bajrang Kumar Choudhary	2	2

#### B. Committee of Directors

The Board of Directors has constituted the Committee of Directors. The said Committee considers specified matters as per the Terms of Reference (TOR) as decided by the Board of Directors, including Borrowings, Investments, Creation of Charge on the moveable and immovable properties of the Company upto the limit approved by the Board and Shareholders of the Company under sections 180(1)(a), 180(1)(c) and 186 of the Companies Act, 2013 and other operational / administrative matters as may be necessary for day to day operations of the Company.

The Committee of Directors comprises of the following Members as on 31st March, 2022 as on the date of this report -

Sl. No.	Name	Category	Designation
1.	Mr. Bajrang Kumar Choudhary	Managing Director (Executive Director)	Chairman
2.	Prof. Santanu Ray	Independent Director	Member
3.	Mr. Praful Tayal	Independent Director	Member

Mr. Naresh Mathur, Company Secretary acts as the Secretary to the Committee.

During the Financial Year 2021-22, 1 (one) meeting of the Committee of Directors was held on 01.06.2021.

Company held on 14th December, 2019 and can be terminated by giving 3 (three) months advance notice in writing. There is no separate provision for payment of severance fees. The Managing Director is presently liable to retirement by rotation.

Further, the Board of Directors of the Company at its meeting held on 13th August, 2022 approved appointment of Mr. Bajrang Kumar Choudhary as the Managing Director of the Company, liable to retire by rotation, for a further period of 3 (three) years with effect from November, 1st 2022 on the existing terms and conditions including remuneration, subject to approval of the Members of the Company.

The remuneration of Executive Director is divided into two components, viz., fixed component of salaries, perquisites and retirement benefits and variable component of performance based incentive. The remuneration, including annual increment and performance incentive, is decided based on the criticality of the roles and responsibilities, the Company's performance vis-a-vis the annual budget achievement, individual's performance vis-a-vis key result areas, industry benchmark and current compensation trends in the market.

The Non-Executive Directors are paid remuneration by way of sitting fees for each Meeting of the Board or any Committee thereof attended by them and reimbursement of out-of-pocket expenses incurred, wherever applicable, for attending such Meetings. The sitting fees, as determined by the Board, is presently, Rs. 50,000/- for attending each Meeting of the Board, Rs. 25,000/- for attending each Meeting of the Audit Committee and Rs. 10,000/- for attending each Meeting of other Committees. The aforesaid payment is well within the limits prescribed under the Companies Act, 2013 and Rules made therein.

No pecuniary transactions have been entered into by the Company with any of the Non-Executive Directors of the Company, except the payment of aforesaid sitting fees to them.

Currently, the Company does not have any stock option plan.

The terms of appointment of the Independent Directors of the Company have been broadly elaborated in the letter of appointment issued to them at the time of their appointment. Draft letter of appointment to Independent Directors has been hosted on the website of the Company, [www.brnl.in](http://www.brnl.in).

Sl. No.	Name of the Material Subsidiary	Name of the Independent Director serving on the Board of Material Subsidiary	Date of Appointment
1.	Solapur Tollways Private Limited	*Mr. Praful Tayal **Prof. Santanu Ray	19.06.2021 02.08.2022
2.	Guruvayoor Infrastructure Private Limited	Dr. (Ms.) Tuk Tuk Ghosh Kumar Mr. Praful Tayal	06.07.2018 21.06.2021

\*Resigned w.e.f. close of business hours on 2nd August, 2022

\*\* Appointed w.e.f. close of business hours on 2nd August, 2022

These Directors are paid sitting fees of ₹10,000/- for attending each Meeting of the Board of Directors and ₹5,000/- for attending each Meeting of the Committee of the Subsidiary Companies. The aforesaid payment is well within the limits prescribed under the Companies Act, 2013 and Rules made therein.

The Company monitors performance of subsidiary companies, inter alia, by the following means:

- Financial Statements of the unlisted subsidiary companies, in particular investments made by them, are reviewed quarterly by the Company's Audit Committee.

### Code of Conduct for Directors and Senior Management

A Code of Conduct as applicable to the Board of Directors and Senior Management (Vice Presidents and above) as approved by the Board, has been displayed on the Company's website [www.brnl.in](http://www.brnl.in). The Board Members and Senior Management have affirmed their compliance with the Code as at 31st March, 2022 and a Declaration signed by the Managing Director (MD) in this regard pursuant to Regulation 34(3) of SEBI Listing Regulations, 2015, read with Schedule V thereto, forms part of this Annual Report.

Further, pursuant to Regulation 26(5) of SEBI Listing Regulations, 2015, Senior Management of the Company have affirmed that they have not entered into any material, financial and commercial transactions during the year in which they had personal interest, that may have potential conflict of interest with the Company.

### Subsidiary Companies' Monitoring Framework

As on 31st March, 2022, your Company has 3 unlisted subsidiaries out of which, 2 (two) are "Unlisted Material Subsidiaries" as per Regulation 24 of SEBI Listing Regulations, 2015.

All subsidiary companies are managed by their Boards, having the rights and obligations to manage such companies in the best interest of their stakeholders.

The details of the Independent Directors of your Company who are serving on the Board of your Company's unlisted Material Subsidiaries are as under as on 31st March, 2022 and as on the date of the report-

- A statement containing all significant transactions and arrangements entered into by unlisted subsidiary companies is placed before the Company's Board, at its Meetings.
- Minutes of Board Meetings of unlisted subsidiary company(s) are placed before your Company's Board at its Meetings on a regular basis.

The Company has formulated a Policy for determining 'Material' Subsidiaries in accordance with the SEBI Listing Regulations, 2015. The said Policy is available on the Company's website, [www.brnl.in](http://www.brnl.in) and a link to the said Policy has been provided elsewhere in this Annual Report.

## General Body Meetings

### Details of the location of the last three Annual General Meetings (AGMs) and the details of special resolutions passed -

#### ANNUAL GENERAL MEETINGS (AGMs):

Details	Financial Year	Date & Time	Venue	No. of Special Resolution(s) passed
14th AGM	2020-21	29th September, 2021 at 2:00 P.M.	Deemed Venue: India Power Corporation Limited Auditorium, Plot X1 – 2 & 3, Block – EP, Sector – V Salt Lake City, Kolkata – 700 091	1*
13th AGM	2019-20	25th September, 2020 at 2:00 P.M.	Deemed Venue: India Power Corporation Limited Auditorium, Plot X1 – 2 & 3, Block – EP, Sector – V Salt Lake City, Kolkata – 700 091	1**
12th AGM	2018-19	14th December, 2019 at 11:30 A.M.	India Power Corporation Limited Auditorium Plot X1 – 2 & 3, Block – EP, Sector – V Salt Lake City, Kolkata – 700 091	1**

\*1 Special Resolution was passed -

Re-appointment of Dr. (Ms.) Tuk Tuk Ghosh Kunar as an Independent Director for a second term of 5 consecutive years

\*\*1 Special Resolution was passed -

Appointment of Mr. Brahm Dutt as an Independent Director

\*\*\*1 Special Resolution was passed -

Re-Appointment of Mr. Bajrang Kumar Choudhary (DIN-00441872) as the Managing Director.

During the year under review, no Extra Ordinary General Meeting was held.

#### Special Resolution passed last year through Postal Ballot – details of voting pattern

During the year under review, no resolution was put through by Postal Ballot. Further, no special resolution is being proposed by your Company to be passed through Postal Ballot.

#### Means of Communication

Your Company informs the Stock Exchanges in a prompt manner, all price sensitive information as well as all such other matters which in its opinion are material and relevant for the Shareholders. The Company effectively uses NEAPS (NSE Electronic Application Processing System) and BSE Listing Centre, web based applications designed by National Stock Exchange of India Limited and BSE Limited respectively, for filing of Shareholding Pattern, Corporate Governance Report, Financial Statements and significant corporate announcements, amongst others.

<b>Quarterly Results</b>	The Quarterly Results of the Company are published in prominent English Newspapers having nationwide circulation as well as Bengali (Vernacular) Newspapers and also hosted on the Company's website, www.brnl.in. Further, pursuant to Regulation 47, read with Regulation 33, of the SEBI Listing Regulations, 2015, extract of the Results are published as per the prescribed format.
<b>Newspapers in which Results are normally published</b>	Financial Express (English), Mint (English) and Aajkaal (Bengali).
<b>Any website, where displayed</b>	Yes, at the Company's website, www.brnl.in
<b>Whether it also displays official news releases</b>	Yes
<b>Presentations made to Institutional Investors or to the Analysts</b>	Yes Pursuant to Schedule III, Para A of Part A read with Regulation 30 of SEBI Listing Regulations, 2015, schedule of analyst or Institutional Investor meet and presentations on Financial Results made by the Company to Analysts or Institutional Investors, if any, has been duly disclosed by the Company to the Stock Exchanges and the same has also been simultaneously disseminated on the Company's website, www.brnl.in pursuant to Regulation 46(2) of the said Regulations.
<b>Whether MD &amp; A is a part of Annual Report or not</b>	Yes

## General Shareholders' Information

A section on Shareholders' Information is separately provided in the Annual Report.

### Other Disclosures:

#### (i) Disclosures on materially significant Related Party Transactions that may have potential conflict with the interests of Company at large –

Transactions effected with the related parties are disclosed under Note No. 31.1 in 'Notes to the Financial Statements' in the Annual Report, in accordance with the requirements of IND AS 24 as notified by the Companies (Indian Accounting Standards) Rules, 2015.

A Statement in summary form of the transactions with related parties is periodically placed before the Audit Committee for review and approval and thereafter recommendation to the Board for their approval, wherever required.

The Company's related party transactions, during the year, are primarily with the subsidiaries and associates of the Company. All these transactions are in the normal course of business and have no potential conflict with the interest of the Company at large and are carried out on an arm's length basis.

Besides the transactions reported in the Annual Report as aforesaid, no transaction of material nature has been entered into by the Company with its Directors or Key Managerial Personnel (KMPs) and their relatives that may have a potential conflict with the interests of the Company at large.

The Company has in place a Policy on Related Party Transactions setting out (a) the materiality thresholds for related parties and (b) the manner of dealing with transactions between the Company and related parties, including omnibus approvals by Audit Committee, if required, based on the provisions of the Companies Act, 2013 and Regulation 23 of the SEBI Listing Regulations, 2015. The said Policy is available on the Company's website, [www.brnl.in](http://www.brnl.in) and a link to the said Policy has been provided elsewhere in this Annual Report.

#### (ii) Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchange(s) or the Board (SEBI) or any statutory authority, on any matter related to capital markets, during the last three years –

The Company has in general complied with various Rules and Regulations prescribed by the Stock Exchanges, Securities and Exchange Board of India or any other statutory authority relating to the capital markets. No penalties or strictures have been imposed by them on the Company during the last three years except the following -

Imposition of fine by both BSE Limited and National Stock Exchange of India Limited for Non-Compliance with Regulation 17(1)(c) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 w.r.t. composition of the Board of Directors (for 39 days) for the Quarter ended 31st March, 2020 and (for 43 days) for the quarter ended 30th June, 2020 respectively.

Both BSE Limited and National Stock Exchange of India Limited imposed a total penalty of Rs. 4,83,800 each, total penalty imposed being ₹9,67,600. The said penalty has been duly paid by the Company.

On the representation made by the Company, BSE Limited has waived the said fine. However, National Stock Exchange of India Limited has not considered your Company's request favorably and the Company has again made a request to which response of National Stock Exchange of India Limited is awaited by the Company.

#### (iii) Details of establishment of Vigil Mechanism, Whistle Blower Policy, and affirmation that no personnel has been denied access to the Audit Committee –

In accordance with the relevant provisions of section 177 of the Companies Act, 2013 and Regulation 22 of the SEBI Listing Regulations, the Company has adopted Whistle-Blower Policy and has established necessary vigil mechanism duly approved by the Audit Committee, which provides a formal mechanism for all Directors and employees of the Company to approach the Management of the Company and make protective disclosures to the Management about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct for Board and Senior Executives. The disclosures reported, if any, are addressed in the manner and within the time frames prescribed in the Policy. The said Policy is available on the Company's website, [www.brnl.in](http://www.brnl.in) and a link to the said Policy has been provided elsewhere in this Annual Report. The Company affirms that no Director or employee of the Company has been denied access to the Audit Committee.

Quarterly report with number of complaints received, if any, under the Whistle Blower Policy and their outcome is placed before the Audit Committee of the Company.

#### (iv) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements –

The Company has in general, complied with all the mandatory and applicable requirements of Corporate Governance, as specified in sub-para (2) to (10) of Part C of Schedule V to the SEBI Listing Regulations, and shall review and adopt the non-mandatory requirements, if needed.

#### (v) Information on the Company's website regarding key policies, codes and charters, adopted by the Company:

- **Composition of Various Committees of the Board of Directors**  
[https://brnl.in/sites/default/files/report/Composition%20of%20various%20Committees%20to%20be%20uploaded%20on%20the%20website\\_LODR%20Regulations\\_2021.pdf](https://brnl.in/sites/default/files/report/Composition%20of%20various%20Committees%20to%20be%20uploaded%20on%20the%20website_LODR%20Regulations_2021.pdf)
- **Corporate Social Responsibility Policy**  
[https://brnl.in/sites/default/files/report/Corporate%20Social%20Responsibility%20Policy\\_0.pdf](https://brnl.in/sites/default/files/report/Corporate%20Social%20Responsibility%20Policy_0.pdf)
- **Policy on Determining "Material" Subsidiaries**  
[https://brnl.in/sites/default/files/report/Policy%20on%20determining%20Material%20Subsidiaries\\_0.pdf](https://brnl.in/sites/default/files/report/Policy%20on%20determining%20Material%20Subsidiaries_0.pdf)
- **Risk Management Policy**  
<http://brnl.in/sites/default/files/report/4.%20Risk%20Policy.pdf>
- **Related Party Transactions (RPTs) Policy**  
<https://brnl.in/sites/default/files/report/Policy%20on%20Related%20Party%20Transactions%20%28RPTs%29-%20BRNL.pdf>

- **Policy for determination of Materiality of any Event/Information**  
<https://brnl.in/sites/default/files/report/Policy%20for%20determination%20of%20Materiality%20of%20any%20Event%20or%20Information.pdf>
- **Vigil Mechanism**  
<https://brnl.in/sites/default/files/report/Vigil%20Mechanism.pdf>
- **BRNL Nomination & Remuneration Policy**  
[https://brnl.in/sites/default/files/report/NRC%20Policy\\_1.pdf](https://brnl.in/sites/default/files/report/NRC%20Policy_1.pdf)
- **Policy on Board Diversity**  
<http://brnl.in/sites/default/files/report/14.%20Policy%20on%20Board%20Diversity.pdf>
- **Archival Policy**  
<http://brnl.in/sites/default/files/report/9.%20Archival%20Policy.pdf>
- **Code of Conduct for Board of Directors and Senior Executives**  
<http://brnl.in/sites/default/files/report/3.%20Code%20of%20Conduct%20for%20Board%20of%20Directors%20and%20Senior%20Executives.pdf>
- **Policy on Prevention of Sexual Harassment at Workplace**  
<https://brnl.in/sites/default/files/report/Policy%20on%20Prevention%20of%20Sexual%20Harassment.pdf>
- **BRNL Fair Disclosure Code**  
<https://www.brnl.in/sites/default/files/report/Code%20of%20Practices%20and%20Procedures%20for%20Fair%20Disclosure%20of%20UPSI.pdf>
- **Investor Grievance Redressal Mechanism**  
<https://brnl.in/sites/default/files/report/INVESTOR%20GRIEVANCE%20REDRESSAL%20MECHANISM.pdf>
- **Policy on Product Life Cycle Sustainability – Business Responsibility Policy based on Principle 2**  
<https://brnl.in/sites/default/files/report/2.pdf>
- **Policy on Preservation of Environment- Business Responsibility Policy based on Principle 6**  
<https://brnl.in/sites/default/files/report/6.pdf>
- **Policy on Responsible Advocacy- Business Responsibility Policy based on Principle 7**  
<https://brnl.in/sites/default/files/report/7.pdf>
- **Policy on Customer Value- Business Responsibility Policy based on Principle 9**  
<https://brnl.in/sites/default/files/report/9.pdf>
- **Familiarisation Programme for Independent Directors**  
<https://brnl.in/sites/default/files/report/BRNL%20Familiarisation%20Programme%20for%20Independent%20Directors%202022.pdf>

**(vi) Commodity Price Risk or Foreign Exchange Risk And Hedging Activities**

Your Company is not dealing in commodities and Foreign Exchange and hence, disclosure relating to commodity price risks and commodity hedging activities is not required.

**(vii) Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32(7A)**

During the year under review, your Company did not raise funds through preferential allotment or qualified institutions placement as specified under Regulation 32(7A).

**(viii) A certificate from a company secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority -**

A Certificate in this regard issued by Mr. Arun Kumar Khandelia – Partner, K. Arun & Co., practicing Company Secretaries forms part of the Annual Report.

**(ix) Where the board had not accepted any recommendation of any committee of the board which is mandatorily required, in the relevant financial year, the same to be disclosed along with reasons thereof -**

During the year under review, there were no such instances where the board had not accepted any recommendation of any committee of the board which is mandatorily required.

**(x) Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part -**

Details of total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the Statutory Auditor (including all entities in the network firm/network entity of which the Statutory Auditor is a part) during the Financial Year 2021-22 are as follows:

Particulars	₹ in Lakhs
Audit Fees	17.50
Certifications and other services	7.63
Out of pocket expenses	1.80
<b>Total</b>	<b>26.93</b>

**(xi) Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013**

Your Company is committed to provide and promote a safe, healthy and congenial atmosphere irrespective of gender, caste, creed or social class of the employees. Your Company in its endeavour to provide a safe and healthy work environment for all its employees has developed a policy to ensure zero tolerance towards verbal, physical, psychological conduct of a sexual nature by any employee or stakeholder that directly or indirectly harasses, disrupts or interferes with another's work performance or creates an intimidating, offensive or hostile environment such that each employee can realize his/her maximum potential.

Your Company has put in place a 'Policy on Prevention of Sexual Harassment' as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules made thereunder. The Policy is meant to sensitize the employees about their fundamental right to have a safe and healthy environment at workplace. As per the Policy, any employee may report his/ her complaint to the Internal Complaint Committee constituted for this purpose. The said Policy is available on your Company's website, www.brnl.in and a link to the said Policy has been provided elsewhere in this Annual Report.



The details of complaints during the Financial Year 2021-22 pursuant to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Company's Policy on Prevention of Sexual Harassment is as under:

Number of complaints filed during the financial year	Number of complaints disposed of during the financial year	Number of complaints pending as on end of the financial year
NIL	NIL	NIL

**(xii) Disclosures with respect to Demat Suspense Account/ Unclaimed Suspense Account -**

There are no shares lying unclaimed in the Demat Suspense Account/ Unclaimed Suspense Account as on the date of this Report.

**(xiii) Disclosure by listed entity and its subsidiaries of 'Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount -**

There are no loans and advances given by the Company or its subsidiaries to firms/companies in which directors are interested.

**A. DISCRETIONARY REQUIREMENTS (Regulation 27 of the SEBI Listing Regulations, 2015)**

<p><b>a) Chairman of the Board</b> Whether Non-Executive Chairman is entitled to maintain a Chairman's office at the Company's expense and also allowed reimbursement of expenses incurred in performance of his duties</p>	<p>Non-Executive Chairman is not entitled to maintain a Chairman's office at the Company's expense. However, he is allowed reimbursement of expenses incurred in performance of his duties.</p>
<p><b>b) Shareholder Rights</b> A half-yearly declaration of financial performance including summary of the significant events in last six-months, may be sent to each household of shareholders</p>	<p>Since there is a requirement of quarterly, half-yearly and annual Results of the Company to be published in a leading English daily newspaper having a nationwide circulation and a Bengali (Vernacular) daily newspaper (having circulation in Kolkata) and to be hosted on Company's website, these may not be sent individually to the shareholders of the Company. There is no declaration/publication of second half yearly results as the audited annual results are taken on record by the Board and then communicated to the shareholders through the Annual Report. The Annual Report of the Company for the Financial Year 2021-22 shall be emailed to the Members whose e-mail addresses are available with the depositories or are obtained directly from the Members, as per Section 136 of the Companies Act, 2013 and Rule 11 of the Companies (Accounts) Rules, 2014.</p>
<p><b>c) Modified opinion(s) in audit report</b></p>	<p>It is always the Company's endeavour to present unmodified Financial Statements. However, the Statutory Auditors of your Company have given a modified opinion on the Standalone and Consolidated Financial Statements of the Company for the Financial Year ended on 31st March, 2022 w.r.t. non-recognition of interest on Rs. 7,000 lakhs from July 01, 2019 onwards which, as per the statutory Auditors, is not in compliance of Ind AS 1 'Presentation of Financial Statements' read with Ind AS 109 'Financial Instruments'. Due to this, loss before tax of the company for the quarter ended March 31, 2022 has been understated by Rs. 220.07 lakhs and loss before tax of the Company for the year ended March 31, 2022 has been understated by Rs. 892.50 lakhs and the current liabilities as at March 31, 2022 has been understated by Rs. 2,457.43 lakhs.</p>
<p><b>d) Separate posts of Chairman and CEO</b> The Company may appoint separate persons to the post of Chairman and Managing Director/CEO</p>	<p>The positions of Chairman and Managing Director (MD) are separate.</p>
<p><b>e) Reporting of Internal Auditor</b> The Internal Auditor may report directly to the Audit Committee</p>	<p>The Internal Auditor of the Company is a permanent invitee to the Audit Committee Meetings and regularly attends the Meetings for reporting audit findings to the Audit Committee.</p>

**DECLARATION BY THE MANAGING DIRECTOR PURSUANT TO REGULATION 34 READ WITH SCHEDULE V(D) OF THE SEBI LISTING REGULATIONS, 2015**

The Company has obtained affirmation from all the Members of the Board and Senior Management Personnel of the Company that they have complied with the Code of Conduct for Board of Directors and Senior Management Personnel in respect of the Financial Year 2021-22, and a declaration signed by the Managing Director pursuant to Regulation 34(3), read with Schedule V of the SEBI Listing Regulations, 2015, is given below:

I, Bajrang Kumar Choudhary, Managing Director of Bharat Road Network Limited, declare that the Company has obtained affirmation from all the Members of the Board and Senior Management Personnel of the Company, that they have complied with the Code of Conduct for Board of Directors and Senior Management Personnel during the Financial Year 2021-22.

Place : Kolkata  
Date : 31.03.2022

**Bajrang Kumar Choudhary**  
Managing Director  
DIN: 00441872



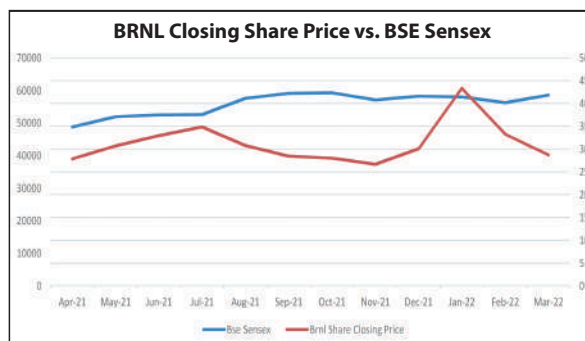
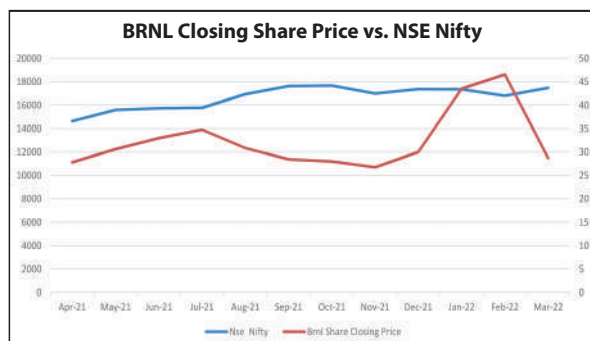
**GENERAL SHAREHOLDERS' INFORMATION:****1. ANNUAL GENERAL MEETING:**

Day, Date and Time	Thursday, 29th September, 2022 at 2:30 PM
Venue	The 15th AGM of the Company will be conducted through Video Conferencing (VC)/Other Audio Visual Means (OAVM). The deemed venue for the 15th AGM shall be the Registered Office of the Company.

**2. FINANCIAL CALENDAR (TENTATIVE):****a. Financial Reporting for 2021-22:**

Quarter ending 30th June, 2022	On or before 14th August, 2022
Quarter and half year ending 30th September, 2022	On or before 14th November, 2022
Quarter and nine months ending 31st December, 2022	On or before 14th February, 2023
Quarter and year ending 31st March, 2023	On or before 30th May, 2023

Month	BSE Limited			National Stock Exchange of India Limited		
	High(₹)	Low(₹)	Volume	High(₹)	Low(₹)	Volume
April, 2021	31.1	26.35	1,08,672	29.20	27.97	35,149
May, 2021	31.8	26.4	3,09,050	29.55	28.17	1,28,913
June, 2021	36.1	29.3	5,91,221	33.73	31.85	2,02,831
July, 2021	41.4	32.05	6,47,479	36.46	34.46	2,37,486
August, 2021	38.3	29.7	2,06,965	34.06	31.95	65,117
September, 2021	31.65	27.65	1,63,413	30.51	29.37	47,365
October, 2021	31.95	27.85	1,80,748	30.37	29.11	61,853
November, 2021	30.45	26.4	74,477	28.74	27.67	24,944
December, 2021	32.9	26.6	3,44,378	29.89	28.19	91,526
January, 2022	44.15	29.55	9,65,979	35.29	32.38	4,79,776
February, 2022	59.45	31.05	21,89,066	52.76	49.29	20,29,660
March, 2022	35.9	28.35	2,28,977	30.87	28.77	82,499

**6. PERFORMANCE IN COMPARISON TO BROAD-BASED INDICES NAMELY BSE SENSEX AND NSE NIFTY 50:**

a. **Annual General Meeting for the Financial Year ending on 31st March, 2023:** August / September, 2023.

**3. LISTINGS**

The Company's Equity Shares are presently listed on the following Stock Exchanges:

- **BSE Limited**  
5th Floor, P J Towers, Dalal Street, Mumbai - 400 001
- **National Stock Exchange of India Limited**  
Exchange Plaza, C-1, Block "G", Bandra Kurla Complex, Bandra East, Mumbai - 400 051

The Annual Listing Fees have been paid to both the Stock Exchanges for the Financial Year 2021-22.

**4. STOCK CODE:**

- BSE - 540700
- NSE - BRNL
- International Security Identification Number (ISIN): INE727S01012
- Corporate Identification Number (CIN): L45203WB2006PLC112235

**5. STOCK MARKET DATA**

Stock Price data for the period from 1st April, 2021 to March, 2022 –

**7. FINANCIAL YEAR** – 1st April to 31st March

**8. REGISTRAR AND SHARE TRANSFER AGENTS**

KFin Technologies Limited  
Selenium Tower B, Plot No. 31-32, Gachibowli  
Financial District, Nanakramguda, Hyderabad - 500 032  
Email id: einward.ris@kfintech.com  
Website: <https://www.kfintech.com> and/or  
<https://ris.kfintech.com/>  
Toll free number - 1- 800-309-4001

**9. SHARE TRANSFER SYSTEM & REDRESSAL OF INVESTOR GRIEVANCES**

None of the shares of the Company are in physical form, as on the date of this Report. Grievances received from investors and other miscellaneous correspondence with respect to change of address, mandates, etc., are processed by the Registrar within 15 days.

- Pursuant to Regulation 7(3) of the SEBI Listing Regulations, 2015, a compliance certificate is filed with the Stock Exchanges on Annual basis, within 30 days from the end of the Financial Year, duly signed by the Compliance Officer of the Company and the authorised representative of the Registrar and Share Transfer Agent, certifying that all activities in relation to both physical and electronic share transfer facility are maintained by KFinTech, the Company's Registrar and Share Transfer Agents.

- Pursuant to Regulation 13 of the SEBI Listing Regulations, 2015, a statement giving the number of investor complaints pending at the beginning of the quarter, those received during the quarter, disposed of during the quarter and those remaining unresolved at the end of the quarter, is filed with the Stock Exchanges within 21 days from the end of the quarter and placed before the Board of Directors on a quarterly basis.

- A Company Secretary-in-Practice carries out a Reconciliation of Share Capital, on a quarterly basis, to reconcile the total admitted capital with depositories, viz., National Securities Depository Limited (NSDL) and Central Depository Services Limited (CDSL) and the total issued and listed capital. The Audit confirms that the total issued/paid up capital is in agreement with the aggregate of the total number of shares in physical form and the total number of shares in dematerialized form (held with NSDL and CDSL).

- The Company has an established mechanism for investor service and grievance handling, with KFinTech and the Compliance Officer appointed by the Company for this purpose, being the important functional nodes. The said Mechanism has been hosted on the website of the Company, [www.brnl.in](http://www.brnl.in).

**10. DISTRIBUTION OF SHAREHOLDING AS ON 31ST MARCH, 2022:**

Category (Shares)	No. of Shareholders		No. of Shares	
	Total	Percentage	Total	Percentage
1 – 500	21769	99.37	4307265	5.13
501 – 10000	67	0.31	489609	0.58
10001 – 20000	30	0.14	424994	0.51
20001 – 30000	6	0.03	142791	0.17
30001 – 40000	2	0.01	63541	0.08
40001 – 50000	2	0.01	91121	0.11
50001 – 100000	10	0.05	721098	0.86
100001 and above	21	0.10	77709581	92.57
<b>Total</b>	<b>21907</b>	<b>100.00</b>	<b>83950000</b>	<b>100.0</b>

The entire shareholding of the Company is in dematerialized mode as on the date of this Report.

**11. OUTSTANDING GLOBAL DEPOSITORY RECEIPTS OR AMERICAN DEPOSITORY RECEIPTS OR WARRANTS OR ANY CONVERTIBLE INSTRUMENTS, CONVERSION DATE AND LIKELY IMPACT ON EQUITY**

The Company has not issued any GDRs/ADRs/Warrants or any other Convertible Instruments.

**12. DISCLOSURE OF COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS SPECIFIED IN REGULATION 17 TO 27 AND CLAUSES (b) TO (i) OF REGULATION 46(2) OF THE SEBI LISTING REGULATIONS, 2015**

Pursuant to Schedule V to the SEBI Listing Regulations, 2015, the Company hereby confirms that it has complied with the Corporate Governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of Regulation 46(2), inter alia, covering

the following subject matter/heads:

- Board of Directors
- Maximum number of Directorship
- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders' Relationship Committee
- Risk Management Committee – Not Applicable
- Vigil Mechanism
- Related Party Transactions
- Corporate Governance requirements with respect to Subsidiary of the Company
- Secretarial Audit of material unlisted subsidiaries
- Obligations with respect to Independent Directors

- xii) Obligations with respect to Employees including Senior Management, Key Managerial Persons, Directors and Promoters
- xiii) Other Corporate Governance requirements as stipulated under the Regulations
- xiv) Dissemination of various information on the website of the Company, w.r.t clauses (b) to (i) of Regulation 46(2) of the aforesaid Regulations.

### 13. CREDIT RATING

During the year under review, your Company has not issued any debt instruments or any fixed deposit programme or any scheme or proposal involving mobilization of funds, whether

in India or abroad and hence obtaining of Credit Rating was not applicable during the period under review.

### 14. ADDRESS FOR CORRESPONDENCE

#### **Company Secretary and Compliance Officer Mr. Naresh Mathur**

Company Secretary  
Bharat Road Network Limited  
Plot No. X1 – 2 & 3, Ground Floor  
Block – EP, Sector – V,  
Salt Lake City, Kolkata – 700 091  
Tel. No.: +91 33 66662711  
E-mail ID: cs@brnl.in

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI  
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To  
The Members  
Bharat Road Network Limited  
CIN: L45203WB2006PLC112235

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Bharat Road Network Limited having CIN L45203WB2006PLC112235 and having registered office at, Plot No. X1-2 & 3, Ground Floor, Block-EP, Sector-V, Salt Lake City, Kolkata Parganas North 700091 produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company and its Officers, we hereby certify that none of the Directors on the Board of the Company as stated below have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority for the Financial Year ending on 31st March, 2022-

Sr. No.	Name of Director	DIN	Date of appointment in the Company
1.	Mr. Bajrang Kumar Choudhary	00441872	23/03/2011
2.	Mr. Brahm Dutt	05308908	14/05/2020
3.	Prof. Santanu Ray	00642736	30/07/2019
4.	Mr. Praful Tayal	00826834	14/05/2020
5.	Dr. (Ms.) Tuk Tuk Kumar	06547361	06/10/2016
6.	*Mr. Vipin Kumar Saxena	08889866	25/09/2020

\*Resigned w.e.f. 30th May, 2022

Ensuring the eligibility for the appointment or continuity of every Director on the Board is the responsibility of the Management of the Company. Our responsibility is to express an opinion on the same based on the verification conducted. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place : Kolkata  
Date : 20th August, 2022

For **K. Arun & Co.**  
Company Secretaries

**Arun Kumar Khandelua**  
Partner  
FCS : 3829  
C.P. No.: 2270  
UDIN : F003829D000820249

## Independent Auditor's Report

To  
The Members of Bharat Road Network Limited  
Report on the Standalone Financial Statements

### Qualified opinion

We have audited the accompanying standalone financial statements of Bharat Road Network Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including a summary of the significant accounting policies and other explanatory information (herein after referred to as "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, except for the *impact of the matter as described in the basis for qualified opinion paragraph*, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, the loss and total comprehensive loss, changes in equity and its cash flows for the year ended on that date.

### Basis for Qualified Opinion

We refer note - 16(ii) of the standalone financial statements, where the Company has not recognized interest on ₹7,000 lakhs from July 01, 2019 onwards which is not in compliance of Ind AS 1 'Presentation of Financial Statements' read with Ind AS 109 'Financial Instruments'. Due to this, loss before tax of the Company for the year ended March 31, 2022 has been understated by ₹892.50 lakhs and the current liabilities as at March 31, 2022 has been understated by ₹2,457.43 lakhs.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our *qualified opinion*.

### Key Audit Matters

Key audit matters (KAM) are those matters that, in our professional judgment were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Following are the Key Audit Matters (KAM) –

Sl. No.	Key Audit Matter	Auditor's Response
1	Investments in Optionally Convertible Debentures of subsidiaries and associates has been considered as financial assets and valued at Fair Value Through Profit and Loss. Refer Note no - 4 of the standalone financial statement.	We have reviewed the projections and related information and explanations and additionally considered the valuation report of a registered valuer appointed by the Company.

### Information Other than the Standalone Financial Statements and Auditor's Report thereon

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

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

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

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

### Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatements, whether due to fraud or error.

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

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

### **Auditor's Responsibility for the Audit of the Standalone Financial Statements**

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

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

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

whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonable knowledgeable user of the standalone financial statements may be influenced. We consider quantitative and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

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

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

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

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

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, and according to the information and explanations given to us and also on the basis of such checks as we considered appropriate, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b) *Except for the possible effects of the matters described in the basis for qualified opinion paragraph*, in our opinion, proper books of accounts as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive income), Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
  - d) In our opinion, *except for the effects of the matters described in the basis for qualified opinion paragraph*, the aforesaid



standalone financial statements comply with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with relevant Rules issued thereunder;

- e) On the basis of the written representations received from the directors as on March 31, 2022, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act;
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

As per the information and explanation given to us and on the basis of our examination of the records, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 as amended, in our opinion and to the best of our information and according to the explanations given to us:
  - i. To the best of our information and according to the explanation given to us there is no pending litigation (other than those referred in note 16(ii) of the standalone financial statements) having material impact on the financial position of the Company.
  - ii. The Company does not have any long-term contracts, including derivative contracts, for which there were any material foreseeable losses;
  - iii. There was no amount required to be transferred to the Investor Education and Protection Fund by the Company.
- iv. a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested by the company to or in any other

person or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, 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 provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- c) Based on the audit procedures that were considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause iv (a) and iv (b) contain any material misstatement.
- v. No dividend has been declared or paid during the financial year by the Company.

For **S. S. Kothari Mehta & Company**  
Chartered Accountants  
Firm Registration No. 000756N

**Rana Sen**  
Partner  
Membership No. 066759

Place : Kolkata  
Date : May 30, 2022  
UDIN : 22066759AJXBZP8637

**ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BHARAT ROAD NETWORK LIMITED****(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report)**

- i. (a) (A) The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant & Equipment.  
(B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) The Property, Plant & Equipment have been physically verified by the management during the financial year, the frequency of which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No discrepancies were noticed on such verification.
- (c) As the Company has no immovable property, provisions of clause (i) (c) of the Order is not applicable to the Company.
- (d) The Company has not revalued its Property, Plant and Equipment or intangible assets during the year ended March 31, 2022.
- (e) No proceedings have been initiated during the financial year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii. (a) As the Company has no inventory, provisions of clause (ii) of the said Order is not applicable to the company.
- (b) The Company has not been sanctioned working capital limits in excess of ₹5 crores, in aggregate, at any point of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause (ii)(b) of the Order is not applicable.
- iii. (a) (A) During the year, the Company has provided loans or advances in the nature of loans to subsidiary companies amounting to ₹1,953.79 Lakhs and the aggregate balance outstanding as on March 31, 2022 amounts to ₹10,756.99 Lakhs. Further, the outstanding guarantee on behalf of subsidiary company amounts to ₹1,07,500 Lakhs as on March 31, 2022.  
(B) During the financial year 2021-22 and as at March 31, 2022, the Company has not provided any loans or advances in the nature of loans to parties other than subsidiaries, joint ventures and associates.
- (b) In our opinion, the investments made and the terms and conditions of the grant of loans and guarantees during the financial year are prima facie not prejudicial to the interest of the Company.
- (c) In respect of loans amounting to ₹10,756.99 Lakhs granted by the Company, schedule of repayment of principal and payment of interest has not been stipulated. These loans has been granted to subsidiaries and associates.
- (d) No amount of loans granted by the Company is overdue for more than ninety days.
- (e) No loans were falling due during the year and hence the reporting under clause (iii)(e) of the Order is not applicable.
- (f) The Company has granted loans or advances in the nature of loans amounting to ₹1,953.79 Lakhs either repayable on demand or without specifying any terms or period of repayment during the year to its subsidiaries and associates. This constitutes 100% of the loans granted during the year.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act in respect of loans, investments, guarantees or securities, wherever transacted and applicable.
- v. The Company has not accepted any deposits and hence the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder are not applicable.
- vi. The provisions regarding maintenance of cost records under section 148(1) of the Act are not applicable to the Company.
- vii. (a) According to information and explanations given to us and the records of the company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, goods and service tax, cess and any other statutory dues except tax deducted at source on interest on certain loans taken from financial institution to the appropriate authorities. The Company has not deducted / paid tax deducted at source (TDS) amounting to ₹66.75 lakhs on interest on loan taken from financial institution which is due for more than six months from the date they became payable as at March 31, 2022.  
(b) According to information and explanations given to us and the records of the company examined by us, there are no dues outstanding in respect of income tax, sales tax, service tax, duty of customs, duty of excise, goods and service tax and cess as at March 31, 2022 on account of disputes.
- viii. The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the financial year. Accordingly, the requirement to report on clause (viii) of the Order is not applicable to the Company.
- ix. (a) The Company has defaulted in payment of interest to one of the financial institution (NBFC). Interest accrued but not paid for the period July 01, 2018 to June 30, 2019 amounts to ₹870.00 lakhs. Further company has not provided and paid interest from July 01, 2019 to March 31, 2022 amounting to ₹2,457.43 lakhs (Refer Note 16(ii) of the standalone financial statements).

- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) Term loans were applied for the purpose for which the loans were obtained.
- (d) On an overall examination of the financial statements of the Company, funds raised on short term basis have, prima facie, not been used during the financial year for long term purposes by the Company.
- (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries and joint ventures.
- (f) The Company has not raised loans during the financial year on the pledge of securities held in its subsidiaries and associates.
- x. (a) The Company has not raised any money during the financial year by way of initial public offer / further public offer (including debt instruments). Hence, the requirement to report on clause (x)(a) of the Order is not applicable to the Company.
- (b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the financial year under audit and hence, the requirement to report on clause (x)(b) of the Order is not applicable to the Company.
- xi. (a) No fraud/ material fraud by the Company or no fraud / material fraud on the Company has been noticed or reported during the financial year.
- (b) No report under sub-section (12) of section 143 of the Act, has been filed in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government during the financial year and upto the date of this report.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the financial year.
- xii. The Company is not a nidhi Company and hence, the reporting under clause (xii) of the Order is not applicable.
- xiii. In our opinion, the Company is in compliance with section 177 and 188 of the Act with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- xiv. (a) The Company has an adequate internal audit system commensurate with the size and nature of its business.
- (b) We have considered, the internal audit reports for the year under audit, issued to the company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- xv. In our opinion, and according to the information and explanations given to us, during the year, the Company has not entered into any non-cash transactions with directors or persons connected with its directors and hence provisions of section 192 of the Act are not applicable to the Company.
- xvi. (a) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.
- (b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable to the Company.
- (c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause (xvi)(c) of the Order is not applicable to the Company.
- (d) There are no Core Investment Companies as part of the Group.
- xvii. The Company has incurred cash losses in the current and immediately preceding financial years.

Financial Year	Amount of Cash Loss (₹ in Lakhs)
2021-22	6,298.29
2020-21	780.63

xviii. There has been no resignation of the statutory auditors during the financial year. Accordingly, the requirement to report on clause (xviii) of the Order is not applicable to the Company.

xix. On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. In respect of ongoing projects and other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Act, in compliance with second proviso to sub section 5 of section 135 of the Act.

For **S. S. Kothari Mehta & Company**  
Chartered Accountants  
Firm Registration No. 000756N

**Rana Sen**  
Partner

Membership No. 066759

Place : Kolkata

Date : May 30, 2022

UDIN : 22066759AJXBZP8637

**ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BHARAT ROAD NETWORK LIMITED****Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") as referred to in paragraph 2(f) of 'Report on Other Legal and Regulatory Requirements' section**

We have audited the internal financial controls over financial reporting of Bharat Road Network Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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

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

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit.

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

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

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

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

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

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that:

- a) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- b) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of Management and directors of the Company; and
- c) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the standalone financial statements.

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

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

**Opinion**

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

**For S. S. Kothari Mehta & Company**  
Chartered Accountants  
Firm Registration No. 000756N

**Rana Sen**  
Partner

Membership No. 066759

Place : Kolkata  
Date : May 30, 2022  
UDIN : 22066759AJXBZP8637

## Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with Annual Audited Financial Results - (Standalone)

**Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2022**  
[See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]

(₹in Lakhs)

I	Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
	1	Turnover / Total Income	9,565.16	9,565.16
	2	Total Expenditure	43,679.48	44,571.98
	3	Profit/(Loss) before tax	(34,114.32)	(35,006.82)
	4	Earnings per Share (₹)	(38.38)	(39.18)
	5	Total Assets	125,645.43	126,263.91
	6	Total Liabilities	125,645.43	126,263.91
	7	Net worth	82,304.07	80,465.12
	8	Any other financials item(s) (as felt appropriate by the Management)		

### II Audit Qualification (each audit qualification separately):

- a. Details of Audit Qualification: The Company has not recognized interest on ₹7,000 lakhs from July 01, 2019 onwards which is not in compliance of Ind AS 1 'Presentation of Financial Statements' read with Ind AS 109 'Financial Instruments'. Due to this, loss before tax of the Company for the quarter ended March 31, 2022 has been understated by ₹220.07 lakhs and loss before tax of the Company for the year ended March 31, 2022 has been understated by ₹892.50 lakhs and the current liabilities as at March 31, 2022 has been understated by ₹2,457.43 lakhs.
- b. Type of Audit Qualification : Qualified Opinion
- c. Frequency of qualification: For the year ended 31st March 22, 31st March 21 & 31st March 20
- d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views: The Company had received an amount of ₹7000 lakhs from IL&FS Group - IL&FS Financial Services Ltd. (IL & FS) in the FY 2016-17. The Company also has a receivable of ₹11,419 lakhs from IL&FS Group - IL & FS Transportation Networks Limited (ITNL), hence the Company has initiated appropriate measures for set off of this payable and recovery of the balance amount. As per NCLAT order, these companies have been classified under IL&FS Group. The Company, as such, has put on hold the interest and Principal payment since September 30, 2018. The Company has not provided interest from July 01, 2019 onwards, pending the settlement of dispute. An application has been filed against the Company by IL & FS before the Hon'ble National Company Law Tribunal, Kolkata claiming their dues which is yet not admitted.
- e. For Audit Qualification(s) where the impact is not quantified by the auditor: Same is already quantified.
  - (i) Management's estimation on the impact of audit qualification: Not Applicable
  - (ii) If management is unable to estimate the impact, reasons for the same: Not Applicable
  - (iii) Auditors' Comments on (i) or (ii) above: Not Applicable

For **S. S. Kothari Mehta & Company**  
Chartered Accountants  
Firm Registration No.000756N

**Rana Sen**  
Partner  
Membership No. 066759

Place : Kolkata  
Date : May 30, 2022

For and On behalf of the Board of Directors

**Brahm Dutt**  
Audit Committee Chairman  
DIN : 05308908

**Bajrang K Choudhary**  
Managing Director  
DIN : 00441872

**CK Ranganathan**  
Chief Financial Officer

**Balance Sheet** as at March 31, 2022

(₹ in Lakhs)

Particulars	Note No.	As at March 31, 2022	As at March 31, 2021
<b>I. ASSETS</b>			
<b>Non-Current Assets</b>			
(a) Property, Plant and Equipment	2	30.67	34.82
(b) Other Intangible Assets	3	0.36	0.68
(c) Financial Assets			
(i) Investments	4	89,214.37	108,492.58
(ii) Loans	5(i)	–	5,428.95
(d) Deferred Tax Assets (Net)	6	1,978.20	81.40
<b>Total Non-Current Assets</b>		<b>91,223.60</b>	<b>114,038.43</b>
<b>Current Assets</b>			
(a) Financial Assets			
(i) Trade Receivables	7	555.07	786.87
(ii) Cash and Cash Equivalents	8	39.64	141.06
(iii) Bank Balance other than Cash and Cash Equivalents	9	1,200.81	1,250.81
(iv) Loans	5(ii)	10,756.99	13,052.12
(v) Other Financial Assets	10	21,203.69	20,825.58
(b) Current Tax Assets (Net)	11	344.28	217.77
(c) Other Current Assets	12	126.35	143.20
<b>Total Current Assets</b>		<b>34,226.83</b>	<b>36,417.41</b>
<b>Non Current Assets held for sale</b>	13	<b>195.00</b>	<b>–</b>
<b>Total Assets</b>		<b>125,645.43</b>	<b>150,455.84</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share capital	14	8,395.00	8,395.00
(b) Other Equity	15	73,909.07	106,136.76
<b>Total Equity</b>		<b>82,304.07</b>	<b>114,531.76</b>
<b>Liabilities</b>			
<b>Non - Current Liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	16(i)	19,651.00	19,651.00
(ii) Other financial liabilities	17(i)	4,878.55	2,163.26
(b) Provisions	18(i)	27.85	32.24
<b>Total Non-Current Liabilities</b>		<b>24,557.40</b>	<b>21,846.50</b>
<b>Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	16(ii)	11,395.03	12,865.74
(ii) Trade payables	19	–	–
– Total outstanding dues of micro enterprise and small enterprise		–	–
– Total outstanding dues of creditors other than micro enterprise and small enterprise		361.22	134.62
(iii) Other Financial Liabilities	17(ii)	6,365.19	979.36
(b) Other Current Liabilities	20	654.86	95.95
(c) Provisions	18(ii)	7.66	1.91
<b>Total Current Liabilities</b>		<b>18,783.96</b>	<b>14,077.58</b>
<b>Total Equity and Liabilities</b>		<b>125,645.43</b>	<b>150,455.84</b>

The accompanying notes 1 to 36 are an integral part of the Financial Statements.

As per our report of even date

**For S.S. Kothari Mehta & Company**
*Chartered Accountants*

Firm Registration No. 000756N

**Rana Sen**
*Partner*

Membership No. 066759

Place : Kolkata

Date : May 30, 2022

**For and On behalf of the Board of Directors**
**Brahm Dutt**
*Chairman*

DIN : 05308908

**Naresh Mathur**
*Company Secretary*
**Bajrang K Choudhary**
*Managing Director*

DIN : 00441872

**C K Ranganathan**
*Chief Financial Officer*



## Statement of Profit and Loss for the year ended March 31, 2022

(₹ in Lakhs)

Particulars	Note No.	Year Ended March 31, 2022	Year Ended March 31, 2021
I. Revenue from operations	21	9,124.20	1,910.05
II. Other Income	22	440.96	1,188.51
<b>III. Total Income (I+II)</b>		<b>9,565.16</b>	<b>3,098.56</b>
<b>IV. Expenses:</b>			
Construction Expenses	23	6,740.20	938.10
Employee benefit expense	24	336.68	250.34
Finance costs	25	2,746.32	2,202.38
Depreciation and amortization expense	26	6.13	4.13
Impairment on Investment in Associate		2,610.41	–
Other expenses	27	1,692.11	3,424.99
<b>Total expenses (IV)</b>		<b>14,131.85</b>	<b>6,819.94</b>
<b>V. Profit/(Loss) before exceptional items and tax (III-IV)</b>		<b>(4,566.69)</b>	<b>(3,721.38)</b>
VI. Exceptional items	28	(29,547.63)	–
<b>VII. Profit/(Loss) before tax (V+VI)</b>		<b>(34,114.32)</b>	<b>(3,721.38)</b>
<b>VIII. Tax expense</b>	29		
Current tax		(0.01)	(33.95)
Deferred tax		(1,894.24)	(598.30)
<b>IX. Profit/(Loss) for the Year (VII-VIII)</b>		<b>(32,220.07)</b>	<b>(3,089.13)</b>
<b>X. Other Comprehensive Income</b>			
(i) Items that will not be reclassified to Profit or Loss:			
– Remeasurement of the defined benefit plans		(10.17)	7.65
(ii) Income tax relating to items that will not be reclassified to Profit or Loss	29	2.56	(1.93)
<b>Total Other Comprehensive Income/(Loss) (X)</b>		<b>(7.61)</b>	<b>5.72</b>
<b>XI. Total Comprehensive Income/(Loss) for the Year (IX + X)</b>		<b>(32,227.68)</b>	<b>(3,083.41)</b>
<b>XII. Earnings per Equity Share (of Rs. 10/- each)</b>	30.2		
Basic (Rs.)		(38.38)	(3.68)
Diluted (Rs.)		(38.38)	(3.68)

The accompanying notes 1 to 36 are an integral part of the Financial Statements.

As per our report of even date

**For S.S. Kothari Mehta & Company**

Chartered Accountants

Firm Registration No. 000756N

**Rana Sen**

Partner

Membership No. 066759

Place : Kolkata

Date : May 30, 2022

**For and On behalf of the Board of Directors**

**Brahm Dutt**

Chairman

DIN : 05308908

**Naresh Mathur**

Company Secretary

**Bajrang K Choudhary**

Managing Director

DIN : 00441872

**C K Ranganathan**

Chief Financial Officer

## Statement of Changes in Equity as at March 31, 2022

## A. Equity Share Capital

(₹ in Lakhs)

Particulars	Balance at the beginning of the year	Changes in equity share capital during the year	Balance at the end of the year
For the Year ended March 31, 2021*	8,395.00	–	8,395.00
For the Year ended March 31, 2022*	8,395.00	–	8,395.00

\*For details refer note 14

## B. Other Equity

(₹ in Lakhs)

Particulars	Reserve and Surplus		Total
	Securities Premium Reserve	Retained Earnings	
<b>Balance as of April 1, 2020</b>	<b>106,021.04</b>	<b>3,199.14</b>	<b>109,220.18</b>
Profit/(Loss) for the year	–	(3,089.13)	(3,089.13)
Other Comprehensive Income for the year	–	5.72	5.72
<b>Total Comprehensive Income/(Loss) for the year</b>	<b>–</b>	<b>(3,083.41)</b>	<b>(3,083.41)</b>
<b>Balance as of March 31, 2021**</b>	<b>106,021.04</b>	<b>115.72</b>	<b>106,136.76</b>
Profit/(Loss) for the year	–	(32,220.07)	(32,220.07)
Other Comprehensive Income for the year	–	(7.61)	(7.61)
<b>Total Comprehensive Income/(Loss) for the year</b>	<b>–</b>	<b>(32,227.68)</b>	<b>(32,227.68)</b>
<b>Balance as of March 31, 2022**</b>	<b>106,021.04</b>	<b>(32,111.97)</b>	<b>73,909.07</b>

\*\*For details refer note 15

## Securities Premium Reserves

Securities premium reserves is used to record the premium on issue of shares. The reserve is utilized in accordance with the provision of the Companies Act, 2013.

## Retained Earnings

The reserve represent the cumulative profits of the Company and effects of remeasurements of defined benefit obligations. This reserve can be utilized in accordance with the provisions of the Companies Act, 2013.

The accompanying notes 1 to 36 are an integral part of the Financial Statements.

As per our report of even date

## For S.S. Kothari Mehta &amp; Company

Chartered Accountants

Firm Registration No. 000756N

## Rana Sen

Partner

Membership No. 066759

Place : Kolkata

Date : May 30, 2022

## For and On behalf of the Board of Directors

## Brahm Dutt

Chairman

DIN : 05308908

## Naresh Mathur

Company Secretary

## Bajrang K Choudhary

Managing Director

DIN : 00441872

## C K Ranganathan

Chief Financial Officer

## Cash Flow Statement for the year ended March 31, 2022

(₹ in Lakhs)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
<b>A. Cash Flow from Operating Activities</b>		
Net Profit/(loss) Before Tax	(34,114.32)	(3,721.38)
Adjustments for:		
Depreciation and amortization expense	6.13	4.13
Finance costs	2,746.32	2,202.38
Interest income	(58.70)	(33.67)
Liability no longer required written back	(3.58)	(5.29)
Bad debt	-	0.13
Loan written off	3,308.11	
Impairment loss on investment in Associate	17,839.99	-
Interest on Income Tax refund	(5.17)	-
Sundry balance written off	-	0.13
Net (gain)/loss on Fair Valuation of Investments	6,661.80	2,936.62
<b>Operating Profit before Working Capital Changes</b>	<b>(3,619.42)</b>	<b>1,383.05</b>
Increase/(Decrease) in Trade payables, other liabilities and provisions	8,881.39	(9,268.50)
Decrease/(Increase) in Trade receivables, loans, advances and other assets	(118.00)	(2,301.72)
<b>Cash generated from/(used in) Operating activities</b>	<b>5,143.97</b>	<b>(10,187.17)</b>
Direct Taxes paid (net of refunds)	(121.33)	(62.02)
<b>Net Cash flow from/(used in) Operating Activities</b>	<b>5,022.64</b>	<b>(10,249.19)</b>
<b>B. Cash Flow from Investing Activities</b>		
Payment for purchase of Property, plant and equipment including Other Intangible Assets and Capital Advances	(1.66)	(16.30)
Advance against Purchase of Investment in Subsidiary	-	(7,641.00)
Receipt of Inter Corporate Deposits given	-	3,440.10
(Increase)/Decrease in Investments	10.37	60.08
Investment in Associate	-	(0.26)
Maturity/(Investment) in Bank deposits (Original maturity more than 3 months)	50.00	(1,250.00)
Unsecured loans (given)/repayment to/by Associates/Subsidiaries	(1,012.98)	(341.90)
Interest received	47.24	72.70
<b>Net Cash flow from/(used in) Investing activities</b>	<b>(907.03)</b>	<b>(5,676.58)</b>
<b>C. Cash Flow from Financing Activities</b>		
Proceeds from long term borrowings	-	18,891.00
Proceeds from/(Repayment of) short term borrowings (net)	(1,470.71)	(625.77)
Interest paid	(2,746.32)	(2,202.15)
<b>Net Cash Flow from/(used in) Financing Activities</b>	<b>(4,217.03)</b>	<b>16,063.08</b>
<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents (A+B+C)</b>	<b>(101.42)</b>	<b>137.31</b>
Opening Cash and Cash Equivalents (Refer Note No.8)	141.06	3.75
<b>Closing Cash and Cash Equivalents (Refer Note No.8)</b>	<b>39.64</b>	<b>141.06</b>

## Notes:

## a) Changes in Liabilities arising from Financing Activities

(₹ in Lakhs)

Particulars	As at April 1, 2021	Cash Flow	As at March 31, 2022
Non Current Borrowings {refer note 16(i)}	19,651.00	-	19,651.00
Current Borrowings {refer note 16(ii)}	12,865.74	(1,470.71)	11,395.03

b) The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Ind AS -7 "Statement of Cash Flow".

The accompanying notes 1 to 36 are an integral part of the Financial Statements.

As per our report of even date

For S.S. Kothari Mehta &amp; Company

Chartered Accountants

Firm Registration No. 000756N

Rana Sen

Partner

Membership No. 066759

Place : Kolkata

Date : May 30, 2022

For and On behalf of the Board of Directors

Brahm Dutt

Chairman

DIN : 05308908

Naresh Mathur

Company Secretary

Bajrang K Choudhary

Managing Director

DIN : 00441872

C K Ranganathan

Chief Financial Officer

## Notes to the Financial Statements for the year ended March 31, 2022

### 1. Company Overview and Significant Accounting Policies

#### (A) Corporate Information

Bharat Road Network Limited (the company) is domiciled and incorporated in India and its shares are quoted on BSE Limited ('BSE') and National Stock Exchange of India Limited ('NSE') w.e.f. 18th September, 2017. The Registered Office of the Company is at 'Plot X1-2 & 3, Ground Floor, Block-EP, Sector-V, Salt Lake City, Kolkata - 700 091.

The Company is presently engaged in the business of designing, building, operating, maintaining and carrying out all other activities pertaining to road projects. As per the guidelines of respective Government Authority and the requirements of the Concession Agreements, such road projects are required to be implemented under the Built, Operate & Transfer (BOT) model by creating Special Purpose Vehicles (SPVs) so that after the concession period, the SPV can be transferred to the respective authority on an "as is where is basis". The Company has, therefore, invested in various road projects under the aforesaid SPV model.

#### (B) Significant Accounting Policies

##### 1.1 Statement of Compliance

The Company has adopted Indian Accounting Standards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) read with Section 133 of the Companies Act, 2013 ("the Act") with effect from April 1, 2017 and therefore Ind AS issued, notified and made effective till the financial statements are authorised have been considered for the purpose of preparation of these financial statements.

Accounting Policy has been consistently applied except where a newly introduced Accounting Standard is initially adopted or a revision to an existing accounting standard requires a change in accounting policy hitherto in use.

##### 1.2 Basis of Preparation

The financial Statements have been prepared on historical cost convention on accrual basis, except for certain financial instruments that are measured in terms of relevant Ind AS at fair values/amortised cost at the end of each reporting period.

Historical cost convention is generally based on fair value of the consideration given in exchange for goods and services.

As the operating cycle cannot be identified in normal course, the same has been assumed to have duration of 12 months. All Assets and Liabilities have been classified as current or non-current as per the operating cycle and other criteria set out in Ind AS-1 'Presentation of Financial Statements' and Schedule III to the Companies Act, 2013.

The Standalone Financial Statements are presented in Indian Rupees and all values are rounded off to the nearest two decimal lakhs except otherwise stated.

##### 1.3 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 under current market conditions.

The Company categorizes assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed for such measurement:

Level 1 : quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 : inputs other than quoted prices included within level 1 that are observable either directly or indirectly for the asset or liability

Level 3 : inputs for the asset or liability which are not based on observable market data.

##### 1.4 Property Plant and Equipment (PPE)

- (i) Freehold land is carried at historical cost. All other items of PPE are stated at their cost of acquisition or construction and is net of accumulated depreciation. Carrying value of PPE on the date of transition has been considered to be deemed cost. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use.
- (ii) All project related expenses via civil works, machinery under erection, construction and erection materials, pre-operative expenditure net of revenue incidental / attributable to the construction of project, borrowing cost incurred prior to the date of commercial operations are shown under Capital Work -In-Progress (CWIP).
- (iii) Depreciation on property plant and equipment commences when the assets are ready for their intended use.
- (iv) Depreciation on PPE is provided on the straight-line method over the useful lives of the respective asset as specified in Part C of Schedule II to Companies Act, 2013. The useful life of assets considered for depreciation as above are as follows:

## Notes to the Financial Statements for the year ended March 31, 2022

Category	Useful life (years)
Computers	3, 6 years
Furniture & fixtures	10 years
Office equipments	5 years

- (v) The residual values, useful lives and method of depreciation of assets are reviewed at each financial year end and adjusted prospectively, if appropriate.
- (vi) Cost of leasehold lands are amortised under the straight line method over the related lease period.

### 1.5 Intangible Assets

#### Recognition and initial measurement

Intangible assets are stated at cost comprising of purchase price inclusive of duties and taxes less accumulated amount of amortization and impairment losses. Such assets, are amortised over the useful life using straight line method and assessed for impairment whenever there is an indication of the same.

Accordingly, cost of computer software packages has been allocated / amortised over a period of 6 years on straight line basis

### 1.6 Derecognition of Tangible and Intangible Assets

An item of PPE is de-recognised upon disposal or when no future economic benefits are expected to arise from its use or disposal. Gain or loss arising on the disposal of an item of PPE is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

### 1.7 Impairment of Tangible and Intangible Assets

Tangible and Intangible assets are reviewed at each balance sheet date for impairment. In case events and circumstances indicate any impairment, recoverable amount of assets is determined. An impairment loss is recognized in the statement of profit and loss, whenever the carrying amount of assets either belonging to Cash Generating Unit (CGU) or otherwise exceeds recoverable amount. The recoverable amount is the higher of assets fair value less cost of disposal and its value in use. In assessing value in use, the estimated future cash flows from the use of the assets are discounted to their present value at appropriate rate.

Impairment losses recognized earlier may no longer exist or may have come down. Based on such assessment at each reporting period the impairment loss is reversed and recognized in the Statement of Profit and Loss. In such cases the carrying amount of the asset is increased to the lower of its recoverable amount and the carrying amount that have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years.

### 1.8 Leases

The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For leases with reasonably similar characteristics, the Company, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and

remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The company recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in statement of profit and loss. The Company has elected to use the recognition exemptions for short term leases as well as low value assets.

### 1.9 Investments in Subsidiaries, Associates and Joint Ventures

The Company's investment in the equity shares of its subsidiaries, associates & joint ventures are recognised at cost. The company has elected to apply previous GAAP carrying amount of its equity investment in subsidiaries, associates & joint ventures as deemed cost as on the date of transition to Ind AS. However, the debt instruments in subsidiaries, associates & joint ventures are recognized at fair value.

### 1.10 Financial Assets and Liabilities

Financial assets and financial liabilities (financial instruments) are recognized when Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in the Statement of Profit and Loss.

The financial assets and financial liabilities are classified as current if they are expected to be realised or settled within operating cycle of the company or otherwise these are classified as non current.

The financial instruments are classified to be measured at Amortized Cost, at Fair Value Through Profit and Loss (FVTPL) or at Fair Value Through Other Comprehensive Income (FVTOCI) and such classification depends on the objective and contractual terms to which they relate. Classification of financial instruments are determined on initial recognition.

#### (i) Cash and cash equivalents

All highly liquid financial instruments, which are readily convertible into known amounts of cash and which are subject to an insignificant risk of change in value and are having original maturities of three months or less from the date of purchase, are considered as cash equivalents. Cash and cash equivalents includes balances with banks which are unrestricted for withdrawal and usage.

#### (ii) Financial Assets and Financial Liabilities measured at amortized cost

Financial Assets held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding are measured at amortized cost.

The above Financial Assets and Financial Liabilities subsequent to initial recognition are measured at amortized cost using Effective Interest Rate (EIR) method.

The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts (including all fees and points paid or received, transaction costs and other premiums or discounts) through the expected life of the Financial Asset or Financial Liability to the gross carrying amount of the financial asset or to the amortised cost of financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

#### (iii) Financial Asset at Fair Value through Other Comprehensive Income (FVTOCI)

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Subsequent to initial recognition, they are measured at fair value and changes therein are recognised directly in other comprehensive income.

(iv) For the purpose of para (ii) and (iii) above, the principal is considered to be fair value of the financial asset at initial recognition and interest consists of consideration for the time value of money and associated credit risk.

#### (v) Financial Assets or Liabilities at Fair value through profit or loss (FVTPL)

Financial Instruments which do not meet the criteria of amortized cost or fair value through other comprehensive income are classified as Fair Value through Profit or loss. These are recognised at fair value and changes therein are recognized in the statement of profit and loss.



## Notes to the Financial Statements for the year ended March 31, 2022

### (vi) Equity Instruments

All equity investments in scope of Ind AS 109 are measured at fair value (except equity investment in subsidiary, associates and joint ventures). For equity instruments, the company may make an irrevocable election to present subsequent changes in the fair value in other comprehensive income. 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 equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI.

### 1.11 Financial guarantee contracts

Financial guarantee contracts other than those which are in the nature of Insurance are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified party fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of expected loss allowance determined as per impairment requirements of Ind-AS 109 and the amount recognised less cumulative amortization.

### 1.12 Impairment of Financial Assets

A financial asset is assessed for impairment at each reporting date. A financial asset is considered to be impaired if objective evidence indicates that one or more events have a negative effect on the estimated future cash flows of that asset. The company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. However, for trade receivables or contract assets that result in relation to revenue from contracts with customers, the company measures the loss allowance at an amount equal to lifetime expected credit losses.

### 1.13 De-recognition of financial instruments

The Company derecognizes a financial asset or a group of financial assets when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset (except for equity instruments designated as FVTOCI), the difference between the asset's carrying amount and the sum of the consideration received and receivable are recognized in statement of profit and loss.

On derecognition of assets measured at FVTOCI the cumulative gain or loss previously recognised in other comprehensive income is reclassified to profit or loss as a reclassification adjustment unless the asset represents an equity investment, in which case the cumulative gain or loss previously recognised in other comprehensive income are reclassified within equity.

Financial liabilities are derecognized if the Company's obligations specified in the contract expire or are discharged or cancelled. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in Statement of Profit and Loss.

### 1.14 Inventories

Inventories are valued at lower of cost or net realisable value

Cost is calculated on weighted average basis and includes expenditure incurred for bringing such inventories to their present location and condition. Adjustments in the carrying amount of obsolete, defective and slow moving items as may be identified at the time of physical verification is made where appropriate, to cover any eventual loss on their ultimate realisation.

### 1.15 Foreign Currency Transactions

#### Presentation currency:

These financial statements are presented in Indian Rupee, the national currency of India, which is the functional currency of the company.

#### Transactions and balances:

Transactions in foreign currencies are translated into the functional currency at the exchange rates prevailing on the date of the transactions. Foreign currency monetary assets and liabilities at the year-end are translated at the year-end exchange rates. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of transaction. The loss or gain thereon and also on the exchange differences on settlement of the foreign currency transactions during the year are recognized as income or expense in the profit and loss account. Foreign exchange gain/loss to the extent considered as an adjustment to Interest Cost are considered as part of borrowing cost.

**1.16 Provision, Contingent Liabilities and Contingent Assets**

Provisions involving substantial degree of estimation in measurement are recognized when there is a legal or constructive obligation as a result of past events and it is probable that there will be an outflow of resources and a reliable estimate can be made of the amount of obligation. Provisions are not recognized for future operating losses. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

Contingent liabilities is not recognized and are disclosed by way of notes to the financial statements when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or when there is a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the same or a reliable estimate of the amount in this respect cannot be made.

Contingent Assets are disclosed in the financial statements by way of notes to accounts when an inflow of economic benefits is probable.

**1.17 Post-employment, long term and short term employee benefits****Defined contribution plans****Provident Fund**

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 recognised as employee benefit expense when they are due.

**Defined benefit plans****Gratuity (Unfunded)**

Gratuity is a post-employment benefit and is in the nature of a defined benefit plan. The liability recognised in the financial statement in respect of gratuity is the present value of the defined benefit obligation at the reporting date less the fair value of plan assets, together with adjustments for unrecognized actuarial gains or losses and past service costs. The defined benefit/obligation is calculated at or near the reporting date by an independent actuary using the projected unit credit method.

Actuarial gains and losses arising from past experience and changes in actuarial assumptions are credited or charged to the statement of OCI in the year in which such gains or losses are determined.

**Compensated absences**

Liability in respect of compensated absences becoming due or expected to be availed within one year from the balance sheet date is recognised on the basis of undiscounted value of estimated amount required to be paid or estimated value of benefit expected to be availed by the employees. Liability in respect of compensated absences becoming due or expected to be availed more than one year after the balance sheet date is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method.

Actuarial gains and losses arising from past experience and changes in actuarial assumptions are charged to statement of profit and loss in the year in which such gains or losses are determined.

**Short Term Employee Benefits**

Recognised at the undiscounted amount as expense for the year in which the related service is provided.

**1.18 Revenue Recognition****Service Revenue**

The Company recognises revenue when the company satisfies a performance obligation by transferring a promised service to a customer and it is probable that the company will collect the consideration to which it will be entitled in exchange for the services.

**Interest Income**

Interest income is generally recognized on a time proportion basis by considering the outstanding amount and effective interest rate. For all financial instruments measured at amortized cost, interest income is recorded using effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash payments or receipts through the expected life of the financial instruments or a shorter period, where appropriate, to the net carrying amount of the financial asset. When calculating the effective interest rate, the company estimates the expected cash flows by considering all the contractual terms of the financial instrument. Interest income is included in other income in the statement of profit and loss.

## Notes to the Financial Statements for the year ended March 31, 2022

### Other Income

Other Income is recognized when right to receive is established.

### 1.19 Borrowing Costs

Borrowing cost comprises of interest and other costs incurred in connection with the borrowing of the funds. All borrowing costs are recognized in the Statement of Profit and Loss using the effective interest rate method except to the extent attributable to qualifying asset which are capitalized to the cost of the related assets. A qualifying asset is an asset, that necessarily takes a substantial period of time to get ready for its intended use or sale. Borrowing cost also includes exchange differences to the extent considered as an adjustment to the borrowing costs.

### 1.20 Income Tax

Income tax expense representing the sum of current tax expenses and the net charge of the deferred taxes is recognized in the statement of profit & loss except to the extent that it relates to items recognized directly in equity or other comprehensive income.

Current income tax is provided on the taxable income and recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period. Taxable Income differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense taxable on the basis different than that considered for recognition in the accounts and also due to the items that are taxable or deductible in other years and items that are never taxable or deductible.

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

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

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

### 1.21 Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

### 1.22 Use of Estimates and management judgements

The preparation of financial statements in conformity with Indian Accounting Standards (Ind AS) requires management of the company to make judgments, estimates and assumptions that affect the reported amount of revenues, expenses, assets, liabilities and related disclosures concerning the items involved as well as contingent assets and liabilities at the balance sheet date.

The estimates and management's judgments are based on previous experience and other factors considered reasonable and prudent in the circumstances. Actual results may differ from these estimates.

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

The areas involving critical judgement are as follows:

#### i) Useful lives of property plant and equipment / intangible assets

Property, plant and equipment / intangible assets are depreciated / amortised over their estimated useful lives, after taking into account estimated residual value. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation / amortisation for future periods is revised if there are significant changes from previous estimates.

## Notes to the Financial Statements for the year ended March 31, 2022

ii) **Provisions and contingencies**

The assessments undertaken in recognizing provisions and contingencies have been made in accordance with Ind AS 37, 'Provisions, Contingent Liabilities and Contingent Assets'. The evaluation of the likelihood of the contingent events has required best judgment by management regarding the probability of exposure to potential loss. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change.

iii) **Post-employment benefit plans**

Employee benefit obligations are measured on the basis of actuarial assumptions which include mortality and withdrawal rates as well as assumptions concerning future developments in discount rates, the rate of salary increases and the inflation rate. The Company considers that the assumptions used to measure its obligations are appropriate.

iv) **Income Taxes**

The Company's tax jurisdiction is India. Significant judgements are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions.

Deferred tax assets are recognised for unused tax losses and unused tax credit to the extent that it is probable that taxable profit would be available against which the losses could be utilised. Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

v) **Fair value measurements and valuation processes**

Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. In estimating the fair value of an asset or a liability, the Company uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Company engages third party valuers, where required, to perform the valuation. Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in the notes to the financial statements.

## Notes to the Financial Statements for the year ended March 31, 2022

### 2. PROPERTY, PLANT AND EQUIPMENT

As at March 31, 2022

(₹ in Lakhs)

Particulars	Furniture and Fixtures	Computers	Office Equipment	Total
<b>Cost</b>				
Balance at April 1, 2021	31.04	5.87	13.47	50.38
Additions during the year	–	–	1.66	1.66
Disposals & other adjustments	–	–	–	–
<b>Balance as at March 31, 2022</b>	<b>31.04</b>	<b>5.87</b>	<b>15.13</b>	<b>52.04</b>
<b>Accumulated depreciation</b>				
Balance at April 1, 2021	3.39	5.84	6.33	15.56
Depreciation expense for the year	3.11	0.03	2.67	5.81
Disposals & other adjustments	–	–	–	–
<b>Balance as at March 31, 2022</b>	<b>6.50</b>	<b>5.87</b>	<b>9.00</b>	<b>21.37</b>
<b>Carrying amount</b>				
Balance at April 1, 2021	27.65	0.03	7.14	34.82
Additions during the year	–	–	1.66	1.66
Depreciation expense	3.11	0.03	2.67	5.81
Disposals & other adjustments	–	–	–	–
<b>Balance as at March 31, 2022</b>	<b>24.54</b>	<b>–</b>	<b>6.13</b>	<b>30.67</b>
<b>Net carrying value as at March 31, 2022</b>	<b>24.54</b>	<b>–</b>	<b>6.13</b>	<b>30.67</b>

As at March 31, 2021

(₹ in Lakhs)

Particulars	Furniture and Fixtures	Computers	Office Equipment	Total
<b>Cost</b>				
Balance at April 1, 2020	3.33	5.87	10.78	19.98
Additions during the year	27.71	–	2.69	30.40
Disposals & other adjustments	–	–	–	–
<b>Balance as at March 31, 2021</b>	<b>31.04</b>	<b>5.87</b>	<b>13.47</b>	<b>50.38</b>
<b>Accumulated Depreciation</b>				
Balance at April 1, 2020	2.68	5.25	3.91	11.84
Depreciation expense for the year	0.71	0.59	2.42	3.72
Disposals & other adjustments	–	–	–	–
<b>Balance as at March 31, 2021</b>	<b>3.39</b>	<b>5.84</b>	<b>6.33</b>	<b>15.56</b>
<b>Carrying amount</b>				
Balance at April 1, 2020	0.65	0.62	6.87	8.14
Additions during the year	27.71	–	2.69	30.40
Depreciation expense	0.71	0.59	2.42	3.72
Disposals & other adjustments	–	–	–	–
<b>Balance as at March 31, 2021</b>	<b>27.65</b>	<b>0.03</b>	<b>7.14</b>	<b>34.82</b>
<b>Net carrying value as at March 31, 2021</b>	<b>27.65</b>	<b>0.03</b>	<b>7.14</b>	<b>34.82</b>

## Notes to the Financial Statements for the year ended March 31, 2022

## 3 OTHER INTANGIBLE ASSETS

As at March 31, 2022			(₹ in Lakhs)
Particulars	Computer Software	Total	
<b>Cost</b>			
Balance at April 1, 2021	2.47	2.47	
Additions during the year	–	–	
Disposals & other adjustments	–	–	
<b>Balance as at March 31, 2022</b>	<b>2.47</b>	<b>2.47</b>	
<b>Accumulated depreciation</b>			
Balance at April 1, 2021	1.79	1.79	
Amortisation expense for the year	0.32	0.32	
Disposals & other adjustments	–	–	
<b>Balance as at March 31, 2022</b>	<b>2.11</b>	<b>2.11</b>	
<b>Carrying amount</b>			
Balance at April 1, 2021	0.68	0.68	
Additions during the year	–	–	
Amortisation expense	0.32	0.32	
Disposals & other adjustments	–	–	
<b>Balance as at March 31, 2022</b>	<b>0.36</b>	<b>0.36</b>	
<b>Net carrying value as at March 31, 2022</b>	<b>0.36</b>	<b>0.36</b>	
As at March 31, 2021			(₹ in Lakhs)
Particulars	Computer Software	Total	
<b>Cost</b>			
Balance at April 1, 2020	2.47	2.47	
Additions during the year	–	–	
Disposals & other adjustments	–	–	
<b>Balance as at March 31, 2021</b>	<b>2.47</b>	<b>2.47</b>	
<b>Accumulated depreciation</b>			
Balance at April 1, 2020	1.38	1.38	
Amortisation expense for the year	0.41	0.41	
Disposals & other adjustments	–	–	
<b>Balance as at March 31, 2021</b>	<b>1.79</b>	<b>1.79</b>	
<b>Carrying amount</b>			
Balance at April 1, 2020	1.09	1.09	
Additions during the year	–	–	
Amortisation expense	0.41	0.41	
Disposals & other adjustments	–	–	
<b>Balance as at March 31, 2021</b>	<b>0.68</b>	<b>0.68</b>	
<b>Net carrying value as at March 31, 2021</b>	<b>0.68</b>	<b>0.68</b>	



## Notes to the Financial Statements for the year ended March 31, 2022

### 4 NON – CURRENT INVESTMENTS

Particulars	Face Value (₹)	As at March 31, 2022		As at March 31, 2021	
		Nos.	₹ in Lakhs	Nos.	₹ in Lakhs
<b>I) Investments in Unquoted Equity Shares Fully paid <sup>A,D</sup></b>					
<b>a) In Subsidiaries (at cost unless stated otherwise)</b>					
Solapur Tollways Pvt. Ltd.	10	500,000	93.13	500,000	93.13
Orissa Steel Expressway Pvt. Ltd.	10	46,534,600	7,155.37	46,534,600	7,155.37
Guruvayoor Infrastructure Pvt Ltd.	10	124,998,606	16,144.21	124,998,606	16,144.21
<b>b) In Associates (at cost unless stated otherwise)</b>					
Kurukshetra Expressway Pvt. Ltd. (net of impairment in Value of ₹ 2610.41 lakhs (As at 31st March 2021: ₹ NIL)) <sup>C,I</sup>	10	51,086,910	8,835.53	51,086,910	11,445.94
Ghaziabad Aligarh Expressway Pvt. Ltd. (Refer Note 13)	10			75,660,000	15,424.58
Shree Jagannath Expressways Pvt. Ltd.	10	59,148,000	11,216.70	59,148,000	11,216.70
Mahakaleshwar Tollways Pvt. Ltd.	10	49,995,000	1,499.85	49,995,000	1,499.85
Palma Gumla Highway Pvt. Ltd. <sup>E</sup>	10	2,600	0.26	2,600	0.26
			<b>44,945.05</b>		<b>62,980.04</b>
<b>II) Investment in Unquoted Unsecured Optionally Convertible Debentures Fully paid <sup>A,B,D</sup></b>					
<b>a) In Subsidiaries (at fair value through profit or loss)</b>					
Solapur Tollways Pvt. Ltd.	10	65,820,000	10,371.22	65,820,000	9,260.29
Guruvayoor Infrastructure Pvt Ltd.	10	5,829,700	1,050.44	5,829,700	939.29
<b>b) In Associates (at fair value through profit or loss)</b>					
Kurukshetra Expressway Pvt. Ltd.	10	93,143,600	9,314.36	93,143,600	11,769.28
			<b>20,736.02</b>		<b>21,968.86</b>
<b>III) In Unquoted Warrants Fully paid <sup>A</sup></b>					
<b>a) In Subsidiaries (at cost)</b>					
Solapur Tollways Pvt. Ltd.	10	227,890,000	23,023.30	227,890,000	23,023.30
			<b>23,023.30</b>		<b>23,023.30</b>
<b>IV) In Quoted Unsecured Perpetual Bonds Fully paid (At amortized cost)</b>					
7.73% SBI Perpetual Bond. <sup>F</sup>	1,000,000	50	510.00	50	520.38
			<b>510.00</b>		<b>520.38</b>
<b>Total (I+II+III+IV)</b>			<b>89,214.37</b>		<b>108,492.58</b>
<b>Aggregate amount of Quoted Investments (IV)</b>			<b>510.00</b>		<b>520.38</b>
<b>Aggregate market value of Quoted Investments</b>			<b>516.70</b>		<b>510.54</b>
<b>Aggregate amount of Unquoted Investments (I+II+III)</b>			<b>88,704.37</b>		<b>107,972.20</b>
<b>Aggregate amount of impairment in the value of investments</b>			<b>2,610.41</b>		<b>-</b>

<sup>A</sup> Refer Note 30.5

<sup>B</sup> The Unsecured Optionally Convertible Debentures does not carry any fixed rate of interest. Rate of interest, subject to maximum of 16% cumulative interest, shall be decided every year at the end of the Financial Year based on the residual cash flows of the respective subsidiaries & associates after servicing their respective Senior Lenders.

<sup>C</sup> Investment in Equity Shares of Kurukshetra Expressway Pvt. Ltd. includes 1,36,70,530 shares, which are in the process of transfer in the name of the Company as on 31st March, 2022

<sup>D</sup> The Company has pledged its following investments of various SPVs, in favour of lenders for term loan facilities availed by respective SPVs:

Particulars	As at March 31, 2022		As at March 31, 2021	
	Shares (Nos)	Unsecured Optionally Convertible Debentures (Nos.)	Shares (Nos)	Unsecured Optionally Convertible Debentures (Nos.)
Solapur Tollways Pvt. Ltd.	255,000	-	255,000	-
Orissa Steel Expressway Pvt. Ltd.	17,125,238	-	17,125,238	-
Kurukshetra Expressway Pvt. Ltd.	51,086,910	93,143,600	51,086,910	93,143,600
Ghaziabad Aligarh Expressway Pvt. Ltd	75,660,000	-	75,660,000	-
Shree Jagannath Expressways Pvt. Ltd	59,148,000	-	59,148,000	-
Guruvayoor Infrastructure Pvt Ltd	124,998,606	5,829,700	124,998,606	5,829,700
Mahakaleshwar Tollways Pvt. Ltd.	49,995,000	-	49,995,000	-

## Notes to the Financial Statements for the year ended March 31, 2022

### 4 NON – CURRENT INVESTMENTS (Contd..)

- E The Company has subscribed 2,600 shares of Palma Gumla Highway Pvt Ltd at ₹ 10/- per share during FY 2020-21
- F The Company has acquired 50 units of 7.73% SBI Perpetual Bonds of Face value ₹ 10,00,000/- each at ₹ 10.20 lakhs per unit (including accrued Interest of ₹ 10.38 Lakhs) during FY 2020-21.
- G During the FY 2018-19, Company has given Corporate Guarantee of ₹ 107,500.00 lakhs to the lenders of Subsidiaries and Associates for the Financial Assistance availed by them which is continuing till date.
- H During the FY 2020-21, Company has converted Unquoted Unsecured Optionally Convertible Debentures carried at fair value through Profit & Loss Account into loan. Same is pending for approval of lender. The resultant loss of ₹ 2,833.32 lakhs has been recognised as loss on fair value of Investments.
- I Kurukshetra Expressway Pvt. Ltd. (KEPL), an associate of the Company, has issued notice for termination of Concession agreement to NHAI on October 7, 2021 citing Kisan Andolan being agitation and protest held by farmer and other unions, as force majeure event in terms of Concession agreement. As a result of the above Protest, toll collections of KEPL got affected significantly. During the year ended March 31, 2022, the project has been transferred to NHAI. The Company has recognised impairment of ₹2610.41 lakhs in its Equity investments in KEPL for the year ended March 31, 2022.
- In this regard, KEPL has filed a claim of ₹1,34,753.13 lakhs with NHAI towards termination payment in terms of Concession agreement and also has other claims against NHAI, which are at different stages of proceedings and will continue to be legitimate even after termination of the Concession Agreement.

### J. Statement of Investments in Subsidiaries and Associates

#### a) Investment in Subsidiaries (in equity)

Name	Country of Incorporation	% of holding as at March 31, 2022	% of holding as at March 31, 2021
Solapur Tollways Pvt. Ltd.	India	100.00	100.00
Orissa Steel Expressway Pvt. Ltd.	India	59.38	59.38
Guruvayoor Infrastructure Pvt Ltd.	India	73.99	73.99

#### b) Investment in Associates (in equity)

Name	Country of Incorporation	% of holding as at March 31, 2022	% of holding as at March 31, 2021
Kurukshetra Expressway Pvt. Ltd.	India	49.00	49.00
Ghaziabad Aligarh Expressway Pvt. Ltd.	India	39.00	39.00
Shree Jagannath Expressways Pvt. Ltd.	India	40.00	40.00
Mahakaleshwar Tollways Pvt. Ltd.	India	48.00	48.00
Palma Gumla Highway Pvt. Ltd.	India	26.00	26.00

### 5 (i) LOANS – NON CURRENT

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Unsecured, considered Good</b>		
Loan to related Party (Refer Note 13, 28, 31.1 & 31.2)	–	5,428.95
<b>Total</b>	–	<b>5,428.95</b>

#### Terms of Loan are as follows:

This Loan entitle the Company to subscribe to equity share of ₹10/- (Face Value of ₹ 10 per share) in Ghaziabad Aligarh Expressway Pvt Ltd (the borrower) for value of loan, subject to a re-characterization event not having taken place on the maturity of the loan, that is, at the end of the Tenure of loan (60 months from date of original issue which may be extended with mutual consent). If the Company opts not to subscribe to equity shares in the borrower, the amount paid as loan will be fully forfeited, and thereupon, the Loan will be deemed to have expired.

In case of re-characterization event taking place as per terms, the loan shall be deemed to have been converted into debenture. The tenure of debenture shall be 17 years from the date of issue. The debenture shall carry interest @ 14% p.a. payable only when the Borrower has distributable cash profits.

On occurrence of any of the following events (considered as re-characterization event), the Loan shall be deemed to have been converted into Debentures.

- Change of control over the Borrower.
- The Borrower not achieving revenue and/or Cash accrual as per the Projected cash flow with a(+/-) 20% variation.

Accordingly, the said loan has been valued at Fair Value through Profit & Loss (FVTPL).

## Notes to the Financial Statements for the year ended March 31, 2022

## 5(ii) LOANS-CURRENT

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Unsecured, considered good (Carried at amortized cost)</b>		
Loan to related parties (Refer Note 28, 31.1 & 31.2)	10,756.99	13,052.12
<b>Total</b>	<b>10,756.99</b>	<b>13,052.12</b>

## 6 DEFERRED TAX ASSETS/(LIABILITIES) NET

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Deferred Tax Assets	2,294.05	707.94
Deferred Tax Liabilities	(315.85)	(626.54)
<b>Total</b>	<b>1,978.20</b>	<b>81.40</b>

## 2021-22

(₹ in Lakhs)

Movement in deferred tax liabilities/assets balances	Opening Balance	Recognized in profit or loss	Recognized in other comprehensive income	Closing Balance
<b>Tax effect of items constituting deferred tax assets</b>				
Carry forward losses and Un-absorbed depreciation	57.00	896.00	–	953.00
Provision for Gratuity and Leave encashment	7.19	(2.74)	2.56	7.01
Disallowance u/s 43B/40(a)(ia)	643.75	690.29	–	1,334.04
<b>Total deferred Tax Assets</b>	<b>707.94</b>	<b>1,583.55</b>	<b>2.56</b>	<b>2,294.05</b>
<b>Tax effect of items constituting deferred tax liabilities</b>				
Depreciation and Amortization	(0.36)	(0.40)	–	(0.76)
Fair valuation gain/(loss) on Investments	626.90	(310.29)	–	316.61
<b>Total deferred Tax liabilities</b>	<b>626.54</b>	<b>(310.69)</b>	<b>–</b>	<b>315.85</b>
<b>Deferred Tax Assets/(Liabilities) net</b>	<b>81.40</b>	<b>1,894.24</b>	<b>2.56</b>	<b>1,978.20</b>

## 2020-21

(₹ in Lakhs)

Movement in deferred tax liabilities/assets balances	Opening Balance	Recognized in profit or loss	Recognized in other comprehensive income	Closing Balance
<b>Tax effect of items constituting deferred tax assets</b>				
MAT Credit entitlement	494.45	(494.45)	–	–
Carry forward losses and Un-absorbed depreciation	458.00	(401.00)	–	57.00
Provision for Gratuity and Leave encashment	9.05	0.06	(1.92)	7.19
Disallowance u/s 43B/40(a)(ia)	103.67	540.08	–	643.75
<b>Total deferred Tax Assets</b>	<b>1,065.17</b>	<b>(355.31)</b>	<b>(1.92)</b>	<b>707.94</b>
<b>Tax effect of items constituting deferred tax liabilities</b>				
Depreciation and Amortization	(0.34)	(0.02)	–	(0.36)
Fair valuation gain/(loss) on Investments	1,580.48	(953.58)	–	626.90
<b>Total deferred Tax liabilities</b>	<b>1,580.14</b>	<b>(953.60)</b>	<b>–</b>	<b>626.54</b>
<b>Deferred Tax Assets/(Liabilities) net</b>	<b>(514.97)</b>	<b>598.29</b>	<b>(1.92)</b>	<b>81.40</b>

6.1 During the year 2020-21, the Company has exercised the option of lower Tax Rate of 25.17% (inclusive of surcharges & Cess) permitted under section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Act, 2019 with effect from financial year 2019-20. Consequently, current tax expense for the year ended March 31, 2021 include a reversal of ₹ 58.99 lakhs. Deferred Tax expense for the year ended March 31, 2021 include a charge of ₹ 357.30 lakhs including MAT credit entitlement reversal.

## 7 TRADE RECEIVABLES

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Unsecured, considered good</b>		
Trade Receivables	555.07	786.87
<b>Total</b>	<b>555.07</b>	<b>786.87</b>

## Notes to the Financial Statements for the year ended March 31, 2022

## Trade receivables ageing schedule as at March 31, 2022

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of Payment					Total
	Less than 6 months	6months-1 year	1-2 years	2-3 years	more than 3 years*	
i) Undisputed Trade receivables-Considered good	248.92	65.16	2.86	4.33	233.80	555.07
ii) Undisputed Trade receivables-Which have significant increase in credit risk	-	-	-	-	-	-
iii) Undisputed Trade receivables-credit impaired	-	-	-	-	-	-
iv) Disputed Trade receivables-considered good	-	-	-	-	-	-
v) Disputed Trade receivables-which have significant increase in credit risk	-	-	-	-	-	-
vi) Disputed Trade receivables-credit impaired	-	-	-	-	-	-
Total	248.92	65.16	2.86	4.33	233.80	555.07
Less: Allowance for credit impairment	-	-	-	-	-	-
<b>Total</b>	<b>248.92</b>	<b>65.16</b>	<b>2.86</b>	<b>4.33</b>	<b>233.80</b>	<b>555.07</b>

## Trade receivables ageing schedule as at March 31, 2021

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of Payment					Total
	Less than 6 months	6months-1 year	1-2 years	2-3 years	more than 3 years*	
i) Undisputed Trade receivables-Considered good	485.32	60.55	7.20	-	233.80	786.87
ii) Undisputed Trade receivables-Which have significant increase in credit risk	-	-	-	-	-	-
iii) Undisputed Trade receivables-credit impaired	-	-	-	-	-	-
iv) Disputed Trade receivables-considered good	-	-	-	-	-	-
v) Disputed Trade receivables-which have significant increase in credit risk	-	-	-	-	-	-
vi) Disputed Trade receivables-credit impaired	-	-	-	-	-	-
Total	485.32	60.55	7.20	-	233.80	786.87
Less: Allowance for credit impairment	-	-	-	-	-	-
<b>Total</b>	<b>485.32</b>	<b>60.55</b>	<b>7.20</b>	<b>-</b>	<b>233.80</b>	<b>786.87</b>

\*Amount of ₹216.00 Lakhs has been received before the approval of financial statements for the year ended March 31, 2022

## 8 CASH AND CASH EQUIVALENTS

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Balances with Banks</b>		
In current accounts	39.64	141.06
<b>Total</b>	<b>39.64</b>	<b>141.06</b>

## 9 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Unclaimed Dividend Account-Earmarked balances with Banks	0.81	0.81
In Deposit Accounts*	1,200.00	1,250.00
<b>Total</b>	<b>1,200.81</b>	<b>1,250.81</b>

\* Represents deposits with Original Maturity of more than 3 Months having remaining maturity of less than 12 months from the Balance Sheet Date.

## 10 OTHER FINANCIAL ASSET - CURRENT

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Unsecured, considered good</b>		
Interest accrued on Fixed Deposit and bonds	14.63	3.17
Advance to Others	780.00	784.36
Advance against Purchase of Investment (Refer Note 10.1)	7,641.00	7,641.00
Other receivables (refer note 16(ii))	12,768.06	12,397.05
<b>Total</b>	<b>21,203.69</b>	<b>20,825.58</b>

10.1 During the FY 2020-21, the company has given advance to shareholders of Guruvayoor Infrastructure Pvt Ltd for purchase of 4,39,41,294 equity shares of Guruvayoor Infrastructure Pvt Ltd. The same is subject to Regulatory approvals.

## Notes to the Financial Statements for the year ended March 31, 2022

### 11 CURRENT TAX ASSETS (NET)

(₹ in Lakhs)

Particulars	As at	
	March 31, 2022	March 31, 2021
Tax deducted at source and advance tax	388.25	697.20
Less: Provision for taxation	43.97	479.43
<b>Total</b>	<b>344.28</b>	<b>217.77</b>

### 12 OTHER CURRENT ASSETS

(₹ in Lakhs)

Particulars	As at	
	March 31, 2022	March 31, 2021
Advance to Suppliers and Others (other than capital advances)	67.42	100.81
Balance with Statutory Authorities	56.42	41.18
Prepaid Expenses	2.51	1.21
<b>Total</b>	<b>126.35</b>	<b>143.20</b>

### 13 NON CURRENT ASSETS HELD FOR SALE

(₹ in Lakhs)

Particulars	As at	
	March 31, 2022	March 31, 2021
Non Current Investments		
– Investments in Ghaziabad Aligarh Expressway Pvt Ltd (75,660,000 equity shares of ₹10 each)	195.00	–
<b>Total</b>	<b>195.00</b>	<b>–</b>

Non-current Assets are classified as 'held for sale' when all the following criteria are met: (i) decision has been made to sell, (ii) all the assets are available for immediate sale in its present condition, (iii) the assets are being actively marketed and (iv) sale has been agreed or is expected to be concluded within 12 months of the Balance Sheet date. Subsequently, such non current assets classified as 'held for sale' are measured at the lower of its carrying value and Fair value.

The Company had executed a Securities Purchase Agreement (SPA) dated April 1, 2021 and related transaction documents, with a purchaser for sale of the entirety of the Company's shareholding in Ghaziabad Aligarh Expressway Private Limited (GAEPL). GAEPL is an associate of the Company. The said sale transaction was consummated on May 26, 2022.

Accordingly, it is disclosed as Non-Current Assets held for sale as at March 31, 2022 and the impact of the same has been disclosed under exceptional items. (Refer note 28)

### 14 EQUITY SHARE CAPITAL

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of Shares	₹ in Lakhs	No. of Shares	₹ in Lakhs
(a) <b>Authorised</b>				
Equity shares of par value ₹10/- each	100,000,000	10,000.00	100,000,000	10,000.00
		<b>10,000.00</b>		<b>10,000.00</b>
(b) <b>Issued, subscribed and fully paid up</b>				
Equity shares of par value ₹10/- each fully paid up	83,950,000	8,395.00	83,950,000	8,395.00
		<b>8,395.00</b>		<b>8,395.00</b>

#### (c) Reconciliation of number and amount of equity shares outstanding:

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of Shares	₹ in Lakhs	No. of Shares	₹ in Lakhs
At the beginning of the year	83,950,000	8,395.00	83,950,000	8,395.00
At the end of the year	83,950,000	8,395.00	83,950,000	8,395.00

- (d) Pursuant to Initial Public Offering (IPO), the Company had issued 29,300,000 equity shares of ₹ 10 each at a premium of ₹ 195/- per share in financial year 2017-18.
- (e) During financial year 2016-17, the Company had issued 18,000,000 equity shares of ₹ 10 each at par on right basis and 26,650,000 equity shares of ₹ 10 each at a premium of ₹ 195/- per share on private placement basis.

The Company has neither issued bonus shares nor bought back any equity shares nor has allotted any equity shares as fully paid up without payment being received in cash during five years immediately preceding current reporting period.

#### (f) The rights, preferences and restrictions attached to each class of equity shares are as under:

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. Dividend when declared is payable in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. 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.

#### (g) Shareholders holding more than 5 % of the equity shares in the Company:

## Notes to the Financial Statements for the year ended March 31, 2022

Name of Shareholder	As at March 31, 2022		As at March 31, 2021	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Srei Venture Capital Trust A/c-Infrastructure Project Development Capital	20,950,000	24.96%	20,950,000	24.96%
Srei Infrastructure Finance Limited	16,630,000	19.81%	16,630,000	19.81%
Predicate Consultant Private Limited	9,520,000	11.34%	9,520,000	11.34%
Srei Venture Capital Trust A/c-Infrastructure Project Development Fund	7,049,800	8.40%	7,049,800	8.40%
Vistar Financiers Pvt. Ltd.	6,771,776	8.07%	6,771,776	8.07%

## (h) Shareholding of promoters

Promoter Name	As at March 31, 2022		As at March 31, 2021		% Change in the year
	No. of Shares held	% of total shares	No. of Shares held	% of total shares	
Srei Infrastructure Finance Limited	16,630,000	19.81%	16,630,000	19.81%	-
Manufacturing Value Addition Fund A/C Make in India	500,000	0.60%	500,000	0.60%	-
Srei Venture Capital Trust A/c-Infrastructure Project Development Capital*	20,950,000	24.96%	20,950,000	24.96%	-
Srei Venture Capital Trust A/c-Infrastructure Project Development Fund*	7,049,800	8.40%	7,049,800	8.40%	-

\*These are considered as promoter group.

## 15 OTHER EQUITY

Particulars	As at March 31, 2022		As at March 31, 2021	
	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs
<b>(a) Securities premium reserve</b>				
Balance as per last account	106,021.04		106,021.04	
Closing Balance		106,021.04		106,021.04
<b>(b) Retained earnings</b>				
Balance as per last account	115.72		3,199.14	
Add: Net Profit/(Loss) for the Year	(32,220.07)		(3,089.13)	
Add: Remeasurement of defined benefit obligation	(7.61)		5.72	
Closing balance		(32,111.97)		115.72
<b>Total</b>		<b>73,909.07</b>		<b>106,136.76</b>

## 16(i) BORROWINGS - NON CURRENT

(₹ in Lakhs)

Particulars	As at	As at
	March 31, 2022	March 31, 2021
<b>Carried at amortized cost</b>		
<b>i) Secured</b>		
Term Loan from Financial Institutions	19,651.00	19,651.00
<b>Total</b>	<b>19,651.00</b>	<b>19,651.00</b>

## Repayment Schedule as at March 31, 2022

(₹ in Lakhs)

Particulars	Maturity Profile				Total
	Over 5 years	3 -5 Years	1 -3 Years	0 -1 Year	
<b>Secured Term Loan</b>					
Term Loan	-	-	19,651.00	-	19,651.00
	-	-	19,651.00	-	19,651.00

## Repayment Schedule as at March 31, 2021

(₹ in Lakhs)

Particulars	Maturity Profile				Total
	Over 5 years	3 -5 Years	1 -3 Years	0 -1 Year	
<b>Secured Term Loan</b>					
Term Loan	-	19,651.00	-	-	19,651.00
	-	19,651.00	-	-	19,651.00

Term loan is secured by way of first pari passu charge by way of hypothecation of the entire moveable fixed assets, immovable assets of the company (both present and future), entire current assets including but not limited to book debts, operating cash flows, receivables, loans and advances, deposits, commissions, investments, revenue of whatsoever nature and wherever arising, entire long term loans and advances and non-current investments (both present and future), pledge of all unencumbered equity shares to the extent permitted by relevant government bodies and authorities under applicable laws and as permitted by existing lenders of respective investee companies wherever applicable and exclusive charge by way of hypothecation of the DSRA (if any). Interest to be compounded quarterly @ 12% (fixed) and payable at the end of loan tenor i.e 5 years from the date of initial disbursement.



## Notes to the Financial Statements for the year ended March 31, 2022

### 16(ii) BORROWINGS - CURRENT

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Carried at amortized cost</b>		
<b>Secured:</b>		
Current Maturities of long term Borrowings *	7,000.00	7,000.00
<b>Unsecured:</b>		
Loan from Related Party (refer note 31.1 & 31.2)**	4,395.03	5,865.74
<b>Total</b>	<b>11,395.03</b>	<b>12,865.74</b>

\* The Company had received an amount of ₹ 7000 lakhs from IL&FS Group - IL&FS Financial Services Ltd. (IL & FS) in the financial year 2016-17. The Company also has a receivable of ₹ 11,419 lakhs (recognised at 11,250 lakhs) from IL&FS Group - IL & FS Transportation Networks Limited (ITNL), hence the Company has initiated appropriate measures for set off of this payable and recovery of the balance amount.

As per NCLAT order, these companies have been classified under IL&FS Group.

The Company, as such, has put on hold the interest and Principal payment since September 30, 2018. The Company has not provided interest from July 01, 2019 onwards, pending the settlement of dispute. An application has been filed against the Company by IL & FS before the Hon'ble National Company Law Tribunal, Kolkata claiming their dues which is yet not admitted.

Term loan is secured by way of first pari passu charge by way of hypothecation of the entire movable fixed assets (both present and future), entire current assets including but not limited to book debts, operating cash flows, receivables, loans and advances, deposits, commissions, investments, revenue of whatsoever nature and wherever arising, both present and future, long term loans and advances and non-current investments (both present and future) and demand promissory note covering the principal, interest and all other amounts. Interest is payable quarterly in arrears @ 12.75% (fixed) per annum. Charge is yet to be created.

\*\*Terms of repayment of Unsecured Current borrowing:

Interest free and repayable on demand.

### 17(i) OTHER FINANCIAL LIABILITIES- NON CURRENT

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Interest accrued but not due on Borrowings	4,878.55	2,163.26
<b>Total</b>	<b>4,878.55</b>	<b>2,163.26</b>

### 17(ii) OTHER FINANCIAL LIABILITIES- CURRENT

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Interest accrued and due on Borrowings	856.39	856.39
Liability for expenses	5,084.88	16.80
Salaries and other payroll dues	32.08	42.85
Retention Money payable	372.62	44.10
Unclaimed Dividend	0.81	0.81
Others	18.41	18.41
<b>Total</b>	<b>6,365.19</b>	<b>979.36</b>

### 18(i) PROVISIONS - NON CURRENT

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Provision for employee benefits (refer note 30.1)		
- Gratuity	19.30	16.22
- Leave encashment	2.57	11.71
- Sick leave availment	5.98	4.31
<b>Total</b>	<b>27.85</b>	<b>32.24</b>

### 18(ii) PROVISION - CURRENT

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Provision for employee benefits (Refer note 30.1)		
- Gratuity	2.34	0.23
- Leave encashment	3.62	0.37
- Sick leave availment	1.70	1.31
<b>Total</b>	<b>7.66</b>	<b>1.91</b>

## Notes to the Financial Statements for the year ended March 31, 2022

## 19 TRADE PAYABLES

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
A. Total outstanding dues of micro enterprises and small enterprises	–	–
B. Total outstanding dues of creditors other than micro enterprises and small enterprises	361.22	134.62
<b>Total</b>	<b>361.22</b>	<b>134.62</b>

## Trade payables ageing schedule as at March 31, 2022

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed dues-MSME	–	–	–	–	–
Undisputed dues-Others	352.74	1.28	5.35	1.85	361.22
Disputed dues-MSME	–	–	–	–	–
Disputed dues-Others	–	–	–	–	–
<b>Total</b>	<b>352.74</b>	<b>1.28</b>	<b>5.35</b>	<b>1.85</b>	<b>361.22</b>

## Trade payables ageing schedule as at March 31, 2021

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed dues-MSME	–	–	–	–	–
Undisputed dues-Others	127.41	5.35	0.48	1.38	134.62
Disputed dues-MSME	–	–	–	–	–
Disputed dues-Others	–	–	–	–	–
<b>Total</b>	<b>127.41</b>	<b>5.35</b>	<b>0.48</b>	<b>1.38</b>	<b>134.62</b>

## 19.1 DUES TO MICRO AND SMALL ENTERPRISES

Amount due to micro and small enterprises as defined in the "The Micro, Small and Medium Enterprises Development Act, 2006" has been determined to the extent such parties have been identified on the basis of information available with the company. The disclosures relating to micro and small enterprises is as below:-

(₹ in Lakhs)

Particulars	As at March 31, 2022	Year Ended March 31, 2021
Principal Amount due to Suppliers registered under the MSMED Act and remaining unpaid as at year end	–	–
Interest due to Suppliers registered under the MSMED Act and remaining unpaid as at year end	–	–
Principal Amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	–	–
Interest paid, under section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	–	–
Interest due and payable towards supplier registered under MSMED Act, for payments already made	–	–
Further Interest remaining due and payable for earlier years	–	–

## 20 OTHER CURRENT LIABILITIES

(₹ in Lakhs)

Particulars	As at March 31, 2022	Year Ended March 31, 2021
Advance from Customers	24.20	42.79
Statutory dues payable	630.66	53.16
<b>Total</b>	<b>654.86</b>	<b>95.95</b>

## 21 REVENUE FROM OPERATIONS

(₹ in Lakhs)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Sale of services*		
From Toll Operations	578.18	620.95
From Consultancy Services	–	45.00
From Road Construction	8,546.02	1,244.10
<b>Total</b>	<b>9,124.20</b>	<b>1,910.05</b>

\*Refer Note No 30.4

## Notes to the Financial Statements for the year ended March 31, 2022

### 22 OTHER INCOME

(₹ in Lakhs)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Interest income (Refer note 22.1)	58.70	33.67
Interest on Income Tax refund	5.17	–
Liability no longer required written back	3.58	5.29
Miscellaneous income	373.51	1,149.55
<b>Total</b>	<b>440.96</b>	<b>1,188.51</b>

#### 22.1

(₹ in Lakhs)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Interest income on assets carried at amortized cost		
– Interest on Fixed Deposit with Bank	20.47	30.71
– Interest income on Bond	38.23	2.96
<b>Total</b>	<b>58.70</b>	<b>33.67</b>

### 23 CONSTRUCTION EXPENSES

(₹ in Lakhs)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Cost of Construction	6,740.20	938.10
<b>Total</b>	<b>6,740.20</b>	<b>938.10</b>

### 24 EMPLOYEE BENEFIT EXPENSE

(₹ in Lakhs)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Salaries, wages, bonus and allowances	310.68	228.86
Contribution to Provident & Other funds	15.18	13.66
Staff welfare expenses	10.82	7.82
<b>Total</b>	<b>336.68</b>	<b>250.34</b>

### 25 FINANCE COSTS

(₹ in Lakhs)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Interest		
– On borrowings	2,742.71	2,202.03
– Other borrowing costs	3.61	0.35
<b>Total</b>	<b>2,746.32</b>	<b>2,202.38</b>

### 26 DEPRECIATION AND AMORTISATION EXPENSE

(₹ in Lakhs)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Depreciation on property, plant and equipment (refer note 2)	5.81	3.72
Amortization on other intangible assets (refer note 3)	0.32	0.41
<b>Total</b>	<b>6.13</b>	<b>4.13</b>

## Notes to the Financial Statements for the year ended March 31, 2022

## 27 OTHER EXPENSES

(₹ in Lakhs)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Legal & Professional Fees	54.65	24.06
Toll Operation Expense	266.07	325.51
Travelling and Conveyance	51.22	35.98
Rates & Taxes	1.81	9.33
Rent (refer note 30.6)	1.26	1.47
Net loss/(gain) on Fair valuation of Investments (refer note 27.1)	1,232.85	2,936.62
Repairs & Maintenance- Others	5.09	7.17
Communication Expenses	5.73	4.89
Advertisement & Publicity	1.92	1.86
Membership & Subscription	10.76	8.50
Bad Debts	-	0.13
Corporate Social Responsibility (refer note 31.3)	8.00	7.00
Insurance Premium	1.10	1.02
Payment to Auditor :		
- Fees for Statutory Audit & Limited Reviews	17.50	17.50
- Other Services (Certification etc.)	7.63	3.50
- Reimbursement of expenses	1.80	1.90
Director's Sitting Fees	15.35	23.15
Printing & Stationery	2.16	1.43
Miscellaneous Expenses	7.21	13.97
<b>Total</b>	<b>1,692.11</b>	<b>3,424.99</b>

## 27.1

(₹ in Lakhs)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
(Gain)/loss on assets carried at FVTPL		
- Loss on Fair Value of Investment	2,454.92	4,738.67
- (Gain) on Fair Value of Investment	(1,222.07)	(1,802.05)
<b>Total</b>	<b>1,232.85</b>	<b>2,936.62</b>

## 28 EXCEPTIONAL ITEMS

(₹ in Lakhs)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Provision for loss/impairment in equity investment	15,229.58	-
Fair Value loss on Non current loans	5,428.95	-
Write down of current loans	3,308.11	-
Other costs	5,580.99	-
<b>Total</b>	<b>29,547.63</b>	<b>-</b>

Exceptional items are those which are considered for separate disclosure in the Financial Statements, considering their size, nature or incidence. Such items included within the statement of Profit & Loss are detailed above. (Refer note 5(i), 5(ii) & 13)

## 29 TAX EXPENSES

## i) Amount recognized in profit or loss

(₹ in Lakhs)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Current tax		
- Income Tax for the year	-	(58.99)
- Adjustment related to previous year	(0.01)	25.04
<b>Total Current Tax</b>	<b>(0.01)</b>	<b>(33.95)</b>
Deferred tax		
- Deferred tax for the year	(1,894.24)	(1,092.75)
- Adjustment related to previous year	-	494.45
<b>Total Deferred Tax</b>	<b>(1,894.24)</b>	<b>(598.30)</b>
<b>Total</b>	<b>(1,894.25)</b>	<b>(632.25)</b>

## Notes to the Financial Statements for the year ended March 31, 2022

### ii) Amount recognized in Other comprehensive income

(₹ in Lakhs)

Particulars	Year Ended	Year Ended
	March 31, 2022	March 31, 2021
On items that will not be reclassified to Profit or loss		
– Deferred Tax on remeasurements of defined benefit plans	(2.56)	1.93
<b>Total deferred tax relating to OCI items</b>	<b>(2.56)</b>	<b>1.93</b>

### iii) Reconciliation of tax expense and accounting profit

(₹ in Lakhs)

Particulars	Year Ended	Year Ended
	March 31, 2022	March 31, 2021
Profit before tax	(34,114.32)	(3,721.38)
Income tax expense/(benefit) calculated @ 25.168%	(8,585.89)	(936.67)
<b>Net Effect of expenses not allowable as deduction</b>		
– Interest on late payment of TDS	0.91	0.05
– CSR	1.69	1.76
– Interest on MSME due	–	0.06
– Impairment on investment in associate	656.99	–
– Exceptional items	6,031.92	–
– Other differences	0.13	4.24
Net effect of Change in Tax Rate	–	298.31
<b>Total</b>	<b>(1,894.25)</b>	<b>(632.25)</b>

iv) Refer note 6.1

## 30 OTHER DISCLOSURES

### 30.1 Defined Benefit Plans/Long Term Compensated Absences :

#### Defined Contribution Plans:

The Company provides Provident Fund benefit to all employees. Under this scheme fixed contribution is made to the Regional Provident Fund Commissioner. The Company has no legal and constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay employee benefits.

#### Defined Benefit Plans:

The Employees' Gratuity scheme, Leave benefit scheme, and Sick Leave availment scheme are the Company's defined benefit plans. The present value of defined obligation and related current cost are measured using the Projected Unit Credit Method with actuarial valuation being carried out at Balance Sheet date.

The following tables set out the details of amount recognized in the financial statements in respect of gratuity and leave benefits which is not funded:

(₹ in Lakhs)

Sl. Particulars	Gratuity (Unfunded)		Privilege Leave Benefit (Unfunded)	
	Year ended	Year ended	Year ended	Year ended
No. Defined benefits plans (As per actuarial valuation)	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
<b>I Change in Defined Benefit Obligations (DBO)</b>				
Present Value of DBO at beginning of the year	16.45	20.76	12.08	12.72
Current Service Cost	4.24	4.31	4.25	1.38
Interest cost	0.77	1.31	0.07	0.78
Curtailement cost / (credit)	–	–	–	–
Settlement cost / (credit)	–	–	–	–
Past service Cost –Plan amendments	–	–	–	–
Acquisitions	–	–	–	–
Actuarial Losses / (Gains) - experience	10.72	(7.65)	5.82	(0.76)
Actuarial Losses / (Gains) - demographic assumptions	–	–	–	–
Actuarial Losses / (Gains) - financial assumptions	(0.55)	–	–	–
Benefits Paid	(9.98)	(2.28)	(16.04)	(2.04)
Employee contribution	–	–	–	–
Other Adjustments	–	–	–	–
<b>Present Value of DBO</b>	<b>21.65</b>	<b>16.45</b>	<b>6.18</b>	<b>12.08</b>

## Notes to the Financial Statements for the year ended March 31, 2022

(₹ in Lakhs)

Particulars	Gratuity (Unfunded)		Privilege Leave Benefit (Unfunded)	
	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2022	Year ended March 31, 2021
<b>II Net assets / (liability) recognized in Balance Sheet</b>				
Present value of Defined Benefit Obligation	(21.65)	(16.45)	(6.18)	(12.08)
Fair value of plan assets	-	-	-	-
Funded status [Surplus/(Deficit)]	(21.65)	(16.45)	(6.18)	(12.08)
Unrecognized past service cost	-	-	-	-
Net asset/ (liability) recognized in Balance Sheet	(21.65)	(16.45)	(6.18)	(12.08)
<b>Current Asset / (Liability)</b>	<b>(2.34)</b>	<b>(0.23)</b>	<b>(3.62)</b>	<b>(0.37)</b>
<b>Non Current Asset / (Liability)</b>	<b>(19.31)</b>	<b>(16.22)</b>	<b>(2.56)</b>	<b>(11.71)</b>

(₹ in Lakhs)

Particulars	Gratuity (Unfunded)		Privilege Leave Benefit (Unfunded)	
	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2022	Year ended March 31, 2021
<b>III Components of Employer Expenses</b>				
Current Service cost	4.24	4.31	4.25	1.38
Past service Cost- Plan amendments	-	-	-	-
Curtailment cost / (credit)	-	-	-	-
Settlement cost / (credit)	-	-	-	-
Interest cost	0.77	1.31	0.07	0.78
Actuarial Losses / (Gains)	-	-	5.82	(0.76)
<b>Total expenses recognized in the Statement of Profit and Loss</b>	<b>5.01</b>	<b>5.62</b>	<b>10.14</b>	<b>1.40</b>
<b>Re-measurements recognized in Other Comprehensive Income</b>				
Actuarial Losses / (Gains) - experience	10.72	(7.65)	5.88	(0.76)
Actuarial Losses / (Gains) - demographic assumptions	-	-	-	-
Actuarial Losses / (Gains) - financial assumptions	(0.55)	-	(0.06)	-
<b>Total Re-measurements recognized in Other Comprehensive Income</b>	<b>10.17</b>	<b>(7.65)</b>	<b>-</b>	<b>-</b>
<b>Total expenses recognized in the Statement of Profit &amp; Loss and Other Comprehensive income</b>	<b>15.18</b>	<b>(2.03)</b>	<b>10.14</b>	<b>1.40</b>

Particulars	Gratuity (Unfunded)		Privilege Leave Benefit (Unfunded)	
	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2022	Year ended March 31, 2021
<b>IV Actuarial Assumptions</b>				
Discount Rate	7.00%	6.70%	7.00%	6.70%
Expected return on plan assets	NA	NA	NA	NA
Salary Escalation	5%	5%	5%	5%
Mortality	Indian Assured Lives (2006-08)	Indian Assured Lives (2006-08)	Indian Assured Lives (2006-08)	Indian Assured Lives (2006-08)
Retirement/ Superannuation Age	Employees: 60 yrs. Directors : 65 yrs.	Employees: 60 yrs. Directors : 65 yrs.	Employees: 60 yrs. Directors : 65 yrs.	Employees: 60 yrs. Directors : 65 yrs.



## Notes to the Financial Statements for the year ended March 31, 2022

(₹ in Lakhs)

Particulars	DBO as at March 31, 2022		DBO as at March 31, 2021	
	Gratuity	Leave	Gratuity	Leave
<b>V Expected benefits payments for the year ending</b>				
March 31, 2022	–	–	0.23	0.38
March 31, 2023	2.42	3.74	2.43	1.97
March 31, 2024	1.81	0.15	1.81	0.79
March 31, 2025	1.06	0.11	1.03	0.53
March 31, 2026	4.05	0.52	1.07	0.55
March 31, 2027	1.29	0.09		
March 31, 2027 to March 31, 2031			16.66	6.44
March 31, 2028 to March 31, 2032	16.88	1.05		
<b>VI Weighted average duration of defined benefit obligations :</b>	<b>9 Years</b>	<b>7 Years</b>	<b>10 Years</b>	<b>9 Years</b>
<b>VII Accrued Benefit Obligation at year end</b>	<b>14.60</b>	<b>5.43</b>	<b>10.45</b>	<b>8.15</b>

VIII Sensitivity Analysis	DBO as at March 31, 2022		DBO as at March 31, 2021	
	Gratuity	Leave	Gratuity	Leave
Discount Rate + 100 basis points	(7.80)	(2.80)	(8.90)	(7.70)
Discount Rate - 100 basis points	8.80	3.10	10.10	8.70
Salary Increase Rate +1%	8.90	3.20	10.20	8.80
Salary Increase Rate -1%	(8.00)	(2.90)	(9.10)	(7.90)

Method used for sensitivity analysis: The Sensitivity results above determine their individual impact on the Plan's end of year Defined Benefit Obligation. In reality, the Plan is subject to multiple external experience items which may move the Defined Benefit Obligation in similar or opposite directions, while the plan's sensitivity to such changes can vary over time.

Sl. No.	Particulars	Sick Leave Benefit	
		Year Ended March 31, 2022	Year Ended March 31, 2021
	<b>Assets/ Liabilities</b>		
1	Defined Benefit Obligation	7.68	5.61
2	Fair Value of Plan Assets	–	–
3	Current Asset / (Liability)	(1.70)	(1.31)
4	Non Current Asset / (Liability)	(5.98)	(4.30)
	<b>Actuarial Assumptions</b>		
1	Discount Rate	7.00%	6.70%
2	Expected return on plan assets	NA	NA
3	Salary Escalation	5%	5%
4	Mortality	Indian Assured Lives (2006-08)	Indian Assured Lives (2006-08)
5	Retirement/ Superannuation Age	Employees: 60 yrs. Director : 65 yrs.	Employees: 60 yrs. Director : 65 yrs.

**IX Other disclosures :**

Basis of estimates of Rate of escalation in salary :

- The estimates of rate of escalation in salary, considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.
- The Gratuity and Leave Encashment have been recognized under "Salaries, wages, bonus and allowances" under Note No.24. The remeasurement of the net defined benefit liability are included in Other Comprehensive Income.
- The expected contribution for defined benefit plan for the next financial year is not available and hence not disclosed.

## Notes to the Financial Statements for the year ended March 31, 2022

**30.2 Earnings per Share:**

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
a) Profit/(Loss) after Tax (Rs. in Lakh)	(32,220.07)	(3,089.13)
b) Weighted average number of Ordinary Equity Shares outstanding used as the denominator for computing Basic Earnings per Share (Nos.)	83,950,000	83,950,000
c) Weighted average number of Potential Equity Shares (Nos.)	–	–
d) Weighted average number of Equity Shares outstanding used as the denominator for computing Diluted Earnings per Share (Nos.)	83,950,000	83,950,000
e) Nominal value of Equity Share per share (Rs.)	10.00	10.00
f) Basic Earnings per Share (Rs.) (a/b)	(38.38)	(3.68)
g) Diluted Earnings per Share (Rs.) (a/d)	(38.38)	(3.68)

**30.3 Segment Reporting**

The Company is primarily engaged in a single business segment of own, build, develop, design, operate, transfer road and related services. All the activities of the Company revolve around the main business. As such there are no separate reportable segments as per requirements of Indian Accounting Standard (Ind AS- 108) on operating segment. Further, the Company operates only in India, hence additional information under geographical segments is also not applicable. The Managing Director of the Company has been identified as the Chief Operating Decision Maker (CODM). The Chief Operating Decision Maker also monitors the operating results as one single segment for the purpose of making decisions about resource allocation and performance assessment and hence, there are no additional disclosures to be provided other than those already provided in the financial statements.

Total revenue includes revenue from a external customer exceeding 10% of revenue aggregating to Rs 9,038.77 lakhs (Previous year: Rs. 1,710.34 lakhs).

**30.4 Disclosure pursuant to Indian Accounting Standard-115 " Revenue from Contracts"**

(a) Type of Goods or Service	Toll management , Road projects and Project consultancy
(b) Geographical Region	India
(c) Market or Type of Customer	Non-Government
(d) Type of Contract	Fixed-price contracts
(e) Contract Duration	2-3 Years
(f) Timing of transfer of goods or service	Transferred over the period of contract
(g) Sales channels	Directly to consumers

**30.5** The Company is presently engaged in the business of designing, building, operating, maintaining and carrying out all other activities pertaining to road projects. As per the guidelines of respective Government Authority and the requirements of the Concession Agreements, such road projects are required to be implemented under the Built, Operate & Transfer (BOT) model by creating Special Purpose Vehicles (SPVs) so that after the concession period, the SPV can be transferred to the respective authority on an "as is where is basis". The Company has, therefore, invested in various road projects under the aforesaid SPV model.

These investments have been made on a long term basis with an objective to earn returns and capital appreciation after the commencement of commercial operations of the respective Projects. The Company has treated these investments in SPVs as "Qualifying Asset". As per Indian Accounting Standard (Ind AS) 23 on 'Borrowings Costs' and in accordance with the accounting concept of 'Matching costs and revenues', the Company has capitalised borrowing cost incurred on funds borrowed exclusively for investments in the SPVs as part of the cost of investments.

Total borrowing cost capitalized to Non current Investment as at March 31, 2022 amounts to ₹ 16,078.86 Lakhs. (As at March 31, 2021 ₹ 16,078.86 Lakhs)

**30.6 In the Capacity of Lessee**

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term. As at March 31, 2022 and March 31, 2021 there were no lease arrangements for a period of more than 12 months.

**30.7 Contingent liabilities & Commitments**

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Capital Commitments	–	–
Contingent liabilities	–	–

## Notes to the Financial Statements for the year ended March 31, 2022

### 30.8 Financial Ratios:

Ratio	Numerator	Denominator	As at March 31, 2022	As at March 31, 2021	Reasons of variance
a) Current Ratio (in times)	Current Assets	Current liabilities	1.82	2.59	Decreased primarily on account of increase in current liabilities mainly other current financial liabilities with decrease in current assets.
b) Debt-Equity Ratio (in times)	Total borrowings	Shareholders equity	0.38	0.28	Debt equity ratio has increased due to decrease in equity as a result of losses in the year.
c) Debt Service coverage ratio (in times)	Earnings available for Debt Service	Debt service	(0.05)	(0.04)	Increase in interest cost led to change in Debt service coverage ratio.
d) Return on Equity Ratio (%)	Net profit after tax	Average shareholders equity	(33.00)	(3.00)	Return on equity has declined due to decrease in equity as a result of losses in the year.
e) Trade receivable turnover ratio (in times)	Revenue from operations	Average trade receivables	13.60	2.03	Improvement due to revenue growth & faster collections.
f) Trade payables turnover ratio (in times)	Purchase	Average trade payable	31.08	9.41	Increased due to increase in purchase and creditors.
g) Net Capital Turnover ratio (in times)	Revenue from Operations	Working capital (Current Assets-Current Liabilities)	0.59	0.09	Improvement due to revenue growth and enhanced working capital efficiency.
h) Net Profit ratio (%)	Net profit	Revenue from operations	(353.00)	(162.00)	Net profit margin has declined due to losses in the year.
i) Return on Capital Employed (%)	Earnings before Interest and Taxes	Average Capital employed.	(28.00)	(1.00)	Return on Capital employed has declined due to losses in the year.
j) Return on Investment (%)	Income from Investments	Average Investments	(4.00)	(3.00)	Return on Investment has declined due to impairment in investments.

Inventory Turnover ratio is not relevant for the Company as it has no inventories.

## Notes to the Financial Statements for the year ended March 31, 2022

## 31 OTHER DISCLOSURES

## 31.1 Related Party disclosures

## (i) Related Parties:

Sl. No	Name of the Party & Nature of relationship
<b>A</b>	<b>Investor having significant influence</b>
	Srei Venture Capital Trust A/C-Infrastructure Project Development Capital
<b>B</b>	<b>Subsidiaries</b>
	Solapur Tollways Pvt. Ltd.
	Orissa Steel Expressway Pvt. Ltd.
	Guruvayoor Infrastructure Pvt. Ltd.
<b>C</b>	<b>Associates</b>
	Kurukshetra Expressway Pvt. Ltd.
	Ghaziabad Aligarh Expressway Pvt. Ltd.
	Shree Jagannath Expressways Pvt. Ltd.
	Mahakaleshwar Tollways Pvt. Ltd.
	Palma Gumla Highway Pvt Ltd (w.e.f September 22, 2020)
<b>D</b>	<b>Key Management Personnel (KMP)</b>
	Bajrang Kumar Choudhary (Managing Director)
	Brahm Dutt {(Chairman, Non-executive and Independent Director) w.e.f May 14, 2020}
	Praful Tayal {(Non-executive and Independent Director) w.e.f May 14, 2020}
	Pradeep Singh (Non executive and Independent Director) till September 25, 2020
	Vipin Kumar Saxena {(Non-executive and Independent Director) w.e.f September 25, 2020}
	Dr. (Ms.) Tuk Tuk Ghosh Kumar (Non-executive and Independent Director)
	Santanu Ray (Non-executive and Independent Director)
	Naresh Mathur (Company Secretary)
	Arindam Bhowmick {(Chief Financial Officer) w.e.f July 24, 2020}. He ceased to be Chief Financial Officer of the Company w.e.f close of business hours on June 29, 2021.
	Chathanur Krishnan Ranganathan appointed as Chief Financial Officer of the Company w.e.f close of business hours on June 29, 2021

## (ii) Summary of Transactions and balances with Related Parties

(₹ in Lakhs)

Name of the related party	Nature of Transaction & Outstanding Balances	Year Ended March 31, 2022	Year Ended March 31, 2021
<b>(A) Subsidiaries :</b>			
Solapur Tollways Pvt. Ltd.	<b>Transactions :</b>		
	Unsecured loan given	655.25	285.00
	Loan given adjusted with Unsecured Loan taken	940.25	-
	Repayment of Unsecured Loan taken	530.46	1,456.06
	Unsecured Loan taken	-	830.29
	Income from Toll Revenue	70.02	157.19
	Other Income	1.00	1.00
	<b>Balance due:</b>		
	Unsecured Loan taken (Cr)	4,395.03	5,865.74
	Unsecured loan given balance	-	285.00
	Warrants-Purchase Cost	22,789.00	22,789.00
	Investment in Unquoted Unsecured Optionally Convertible Debenture - Purchase Cost	6,582.00	6,582.00
	Cost of Investment pledged as collateral for loan taken by Subsidiary (2,55,000 Share)	47.50	47.50
	Corporate guarantee given to lender of subsidiary	32,000.00	32,000.00
	Trade Receivable	65.15	60.55

## Notes to the Financial Statements for the year ended March 31, 2022

(₹ in Lakhs)

Name of the related party	Nature of Transaction & Outstanding Balances	Year Ended March 31, 2022	Year Ended March 31, 2021
Orissa Steel Expressway Pvt. Ltd.	<b>Transactions :</b>		
	Receipt of Inter Corporate Deposit	-	3,440.10
	Consultancy fee received	-	732.11
	Interest received	-	42.20
	Loan given	64.85	74.50
	Repayment of loan	-	44.77
	<b>Balance due:</b>		
	Unsecured Loan given	94.58	29.73
	Cost of Investment pledged as collateral for loan taken by Subsidiary (17,125,238 Shares)	2,633.25	2,633.25
	Guruvayoor Infrastructure Pvt Ltd	<b>Transactions :</b>	
Income from Claim Management Fee		-	15.00
Income from Toll Revenue		492.75	451.24
Income from Road Projects		8,546.02	1,244.10
Other Income		0.75	0.75
Unsecured Loan given		733.13	-
Advance given		-	15.00
Advance adjusted		-	15.00
Repayment of Advance given		-	18.41
<b>Balance due:</b>			
Trade receivable		248.92	485.32
Unsecured Loan given		733.13	-
Investment in Unquoted Unsecured Optionally Convertible Debenture - Purchase Cost		582.97	582.97
Corporate guarantee given to lender of subsidiary		15,000.00	15,000.00
Cost of Investment pledged as collateral for loan taken by subsidiary (12,49,98,606 shares)		16,144.21	16,144.21
Cost of Investment pledged as collateral for loan taken by subsidiary (58,29,700 units of OCD)	1,050.44	939.29	
<b>(B) Associates :</b>			
Kurukshehra Expressway Pvt. Ltd.	<b>Transactions :</b>		
	Demand loan given	-	27.17
	<b>Balance due:</b>		
	Demand loan given balance	1,821.63	1,821.63
	Investment in Unquoted Unsecured Optionally Convertible Debenture- Purchase Cost	9,314.36	9,314.36
	Corporate guarantee given to lender of associate	8,000.00	8,000.00
	Cost of Investment pledged as collateral for loan taken by associate (9,31,43,600 units of OCD)	9,314.36	11,769.28
Cost of Investment pledged as collateral for loan taken by associate (5,10,86,910 shares)	8,835.53	11,445.94	
Ghaziabad Aligarh Expressway Pvt. Ltd.	<b>Transactions :</b>		
	Unsecured loan given	500.00	114.00
	Repayment of Unsecured Loan	-	114.00
	<b>Balance due:</b>		
	Trade Receivable (Net of TDS)	216.00	216.00
	Loan Instrument at cost	-	4,818.88
	Unsecured loan receivable	5,169.99	7,978.10
	Corporate guarantee given to lender of associate	13,000.00	13,000.00
Cost of Investment pledged as collateral for loan taken by associate (7,56,60,000 shares)	195.00	15,424.58	

## Notes to the Financial Statements for the year ended March 31, 2022

(₹ in Lakhs)

Name of the related party	Nature of Transaction & Outstanding Balances	Year Ended March 31, 2022	Year Ended March 31, 2021
Shree Jagannath Expressways Pvt. Ltd.	<b>Transactions :</b>		
	Liability no longer required written back	-	5.24
	Bad debt	-	0.13
	<b>Balance due:</b>		
	Corporate guarantee given to lender of associate	27,500.00	27,500.00
	Cost of Investment pledged as collateral for loan taken by associate (5,91,48,000 shares)	11,216.70	11,216.70
Mahakaleshwar Tollways Pvt. Ltd.	<b>Transactions :</b>		
	Income from Consultancy fee	-	30.00
	Advance received	-	4.25
	Other Income	0.75	0.75
	Unquoted Unsecured Optionally Convertible Debenture converted into Loan	-	2,937.66
	Advance adjusted	0.85	-
	Advance given	0.56	-
	Advance refunded	0.56	-
	<b>Balance due:</b>		
	Advance received (Cr)	11.54	12.38
	Unsecured loan receivable	2,937.66	2,937.66
	Corporate guarantee given to lender of Associate	12,000.00	12,000.00
	Cost of Investment pledged as collateral for loan taken by Associate (4,99,95,000 Shares)	1,499.85	1,499.85

## (C) Key Management Personnel :

(₹ in Lakhs)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
<b>Transactions:</b>		
Short-term employee benefits	185.19	128.26
Post-employment benefits	11.62	9.64
Other long-term employee benefits	9.20	13.52
Director's Sitting Fees	15.35	23.15

## 31.2 Information as required under regulation 34(3) of SEBI (Listing obligation and Disclosure requirements), Regulation, 2015:

(₹ in Lakhs)

Particulars	Year Ended March 31, 2022	Maximum balance during the year
<b>Loans to Subsidiary company</b>		
Solapur Tollways Pvt Ltd {Refer note 5(ii)}	-	940.25
Orissa Steel Expressway Pvt. Ltd {Refer note 5(ii)}	94.58	94.58
Guruvayoor Infrastructure Pvt Ltd {Refer note 5(ii)}	733.13	733.13
<b>Loans to Associate company</b>		
Kurukshehra Expressway Pvt. Ltd.{Refer note 5(ii)}	1,821.63	1,821.63
Ghaziabad Aligarh Expressway Pvt. Ltd.{Refer note 5(i) & 5(ii)}	5,169.99	13,907.05
Shree Jagannath Expressways Pvt. Ltd.	-	-
Mahakaleshwar Tollways Pvt. Ltd. (refer note 5(ii))	2,937.66	2,938.22
Palma Gumla Highway Pvt Ltd	-	-



## Notes to the Financial Statements for the year ended March 31, 2022

Particulars	(₹ in Lakhs)	
	Year Ended March 31, 2021	Maximum balance during the year
<b>Loans to Subsidiary company</b>		
Solapur Tollways Pvt Ltd.(Refer note 5(ii))	285.00	285.00
Orissa Steel Expressway Pvt. Ltd.(Refer note 5(ii))	29.73	3,440.10
Guruvayoor Infrastructure Pvt Ltd.	–	–
<b>Loans to Associate company</b>		
Kurukshetra Expressway Pvt. Ltd.(Refer note 5(ii))	1,821.63	1,821.63
Ghaziabad Aligarh Expressway Pvt. Ltd.(Refer note 5(ii))	12,796.98	12,910.98
Shree Jagannath Expressways Pvt. Ltd.	–	–
Mahakaleshwar Tollways Pvt. Ltd. (Refer note 5(ii))	2,937.66	2,937.66
<b>Advances to Subsidiary company</b>		
Guruvayoor Infrastructure Pvt Ltd.	–	33.41

Note : Figures mentioned in above table are at cost

- 31.3 (a) The Company has contributed and expensed ₹ 8.00 lakhs (March 31, 2021 ₹ 7.00 Lakhs) against the total contributable amount of ₹ NIL (March 31, 2021 ₹ 6.57 Lakhs) for the year ended March 31, 2022 in accordance with section 135 of Companies Act, 2013 to trust/social organization.
- (b) CSR activities undertaken during the year pertain to imparting, promoting and spreading education for under privileged children and weaker section of the society.
- (c) There are no related party transactions with respect to Corporate Social Responsibility.
- (d) Details of excess amount spent:

Financial Year	(₹ in Lakhs)			
	Opening Balance	Amount required to be spent during the year	Amount spent during the year	Closing Balance
2020-21	0.09	6.57	7.00	0.52
2021-22	0.52	–	8.00	8.52

## 32 FINANCIAL INSTRUMENT RELATED DISCLOSURES

### i) Capital Management

The primary objective of company's capital management is to support its road projects (SPVs) and provide adequate capital to its business for growth and creation of sustainable stakeholder value. The company's capital comprises of share capital and retained earnings attributable to equity shareholders. The company manages its capital structure in light of changes in the economic and regulatory environment and the requirements of the financial covenants.

The company manages its capital structure and make adjustments in light of changes in economic conditions and requirement of financial covenants. Breaches in meeting the financial covenants would permit the lenders to call loans and borrowings or charge some penal interest. The Company, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. In order to maintain or adjust the capital structure, the Company may adjust the dividend payments to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, loans and borrowings, less cash and cash equivalents.

No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2022 and year ended March 31, 2021.

Particulars	(₹ in Lakhs)	
	March 31, 2022	March 31, 2021
Borrowings (Refer note 16(i), 16(ii))	31,046.03	32,516.74
Less: Cash and cash equivalent ( Refer note 8)	39.64	141.06
<b>Net Debt (A)</b>	<b>31,006.39</b>	<b>32,375.68</b>
<b>Total Equity ( refer note 14 &amp; 15)</b>	<b>82,304.07</b>	<b>114,531.76</b>
<b>Total Equity plus Net Debt (B)</b>	<b>113,310.46</b>	<b>146,907.44</b>
<b>Gearing ratio (A/B)</b>	<b>0.27</b>	<b>0.22</b>

## Notes to the Financial Statements for the year ended March 31, 2022

## 32 FINANCIAL INSTRUMENT RELATED DISCLOSURES (Cond...)

## ii) Financial instruments-Accounting, Classification and Fair Value Measurement

## A. Accounting classification and fair values

(₹ in lakhs)

March 31, 2022	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortized Cost	Total	Level 1	Level 2	Level 3	Total
<b>Financial Assets Non Current</b>								
Investments (excluding investment measured at cost -Refer note -4)	20,736.02	-	510.00	21,246.02	516.70	-	20,736.02	21,252.72
Loans (Refer note 5(i))	-	-	-	-	-	-	-	-
<b>Financial Assets Current</b>								
Trade receivables (Refer note 7)	-	-	555.07	555.07	-	-	555.07	555.07
Cash and cash equivalents (Refer note 8)	-	-	39.64	39.64	39.64	-	-	39.64
Bank Balance other than Cash and Cash Equivalents (Refer note 9)	-	-	1,200.81	1,200.81	1,200.81	-	-	1,200.81
Loans (Refer note 5(ii))	-	-	10,756.99	10,756.99	-	-	10,756.99	10,756.99
Other Financial Assets (Refer note 10)	-	-	21,203.69	21,203.69	-	-	21,203.69	21,203.69
<b>Total Financial Assets</b>	<b>20,736.02</b>	<b>-</b>	<b>34,266.20</b>	<b>55,002.22</b>	<b>1,757.15</b>	<b>-</b>	<b>53,251.77</b>	<b>55,008.92</b>
<b>Financial liabilities Non Current</b>								
Borrowings (Refer note 16(i))	-	-	19,651.00	19,651.00	-	-	19,651.00	19,651.00
Other financial liabilities (Refer note 17(i))	-	-	4,878.55	4,878.55	-	-	4,878.55	4,878.55
<b>Financial liabilities Current</b>								
Borrowings (Refer note 16(ii))	-	-	11,395.03	11,395.03	-	-	11,395.03	11,395.03
Trade payables (Refer note 19)	-	-	361.22	361.22	-	-	361.22	361.22
Other financial liabilities (Refer note 17(ii))	-	-	6,365.19	6,365.19	-	-	6,365.19	6,365.19
<b>Total Financial liabilities</b>	<b>-</b>	<b>-</b>	<b>42,650.99</b>	<b>42,650.99</b>	<b>-</b>	<b>-</b>	<b>42,650.99</b>	<b>42,650.99</b>

(₹ in lakhs)

March 31, 2021	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortized Cost	Total	Level 1	Level 2	Level 3	Total
<b>Financial Assets Non Current</b>								
Investments (excluding investment measured at cost-refer note-4)	21,968.86	-	520.38	22,489.24	510.54	-	21,968.86	22,479.40
Loans (Refer note 5(i))	5,428.95	-	-	5,428.95	-	-	5,428.95	5,428.95
<b>Financial Assets Current</b>								
Trade receivables (Refer note 7)	-	-	786.87	786.87	-	-	786.87	786.87
Cash and cash equivalents (Refer note 8)	-	-	141.06	141.06	141.06	-	-	141.06
Bank Balance Other than Cash and Cash Equivalents (Refer note 9)	-	-	1,250.81	1,250.81	1,250.81	-	-	1,250.81
Loans (Refer note 5(ii))	-	-	13,052.12	13,052.12	-	-	13,052.12	13,052.12
Other Financial Assets (Refer note 10)	-	-	20,825.58	20,825.58	-	-	20,825.58	20,825.58
<b>Total Financial Assets</b>	<b>27,397.81</b>	<b>-</b>	<b>36,576.82</b>	<b>63,974.63</b>	<b>1,902.41</b>	<b>-</b>	<b>62,062.38</b>	<b>63,964.79</b>
<b>Financial liabilities Non Current</b>								
Borrowings (Refer note 16(i))	-	-	19,651.00	19,651.00	-	-	19,651.00	19,651.00
Other financial liabilities (Refer note 17(i))	-	-	2,163.26	2,163.26	-	-	2,163.26	2,163.26
<b>Financial liabilities Current</b>								
Borrowings (Refer note 16(ii))	-	-	12,865.74	12,865.74	-	-	12,865.74	12,865.74
Trade payables (Refer note 19)	-	-	134.62	134.62	-	-	134.62	134.62
Other financial liabilities (Refer note 17(ii))	-	-	979.36	979.36	-	-	979.36	979.36
<b>Total Financial liabilities</b>	<b>-</b>	<b>-</b>	<b>35,793.98</b>	<b>35,793.98</b>	<b>-</b>	<b>-</b>	<b>35,793.98</b>	<b>35,793.98</b>

There have been no transfers between Level 1, Level 2 and Level 3 for the years ended March 31, 2022 and March 31, 2021.

## B. Measurement of fair values

The table shown above analyses financial instruments carried at fair value, by valuation method. The different levels have been defined below:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

## C. Valuation techniques

## The following methods and assumptions were used to estimate the fair values

- 1) The fair value of trade receivables, trade payables, current loans, current borrowing and other current financial assets and liabilities is considered to be equal to the carrying amounts of these items due to their short term nature.
- 2) The fair value of Non-current investments (excluding investment measured at cost/amortized cost) and non-current loans are done by adopting Discounted Free Cash flow method (DCF) approach by a registered valuer. These valuation is based on the assumptions and estimates considered appropriate by the management.
- 3) Non current Borrowings and other non current financial liabilities have been contracted at fixed rate of interest and accounted for accordingly. Fair value of these approximates their carrying value.

## Notes to the Financial Statements for the year ended March 31, 2022

### D. Reconciliation of Financial Assets in Level 3 is as below

(₹ in Lakhs)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Balance at the beginning of the year	62,062.38	58,888.57
Movement during the year	(2,148.81)	6,110.43
Fair Value changes	(6,661.80)	(2,936.62)
<b>Balance at the end of the Year</b>	<b>53,251.77</b>	<b>62,062.38</b>

### iii) Financial Risk Management

The company's principal financial liabilities comprises of borrowings and other payables. The main purpose of these financial liabilities is to finance the company's operations. The company's principal financial assets include investments in equity and debt instruments, loans (advances to related parties), trade and other receivables, and cash and short-term deposits that derive directly from its operations.

The company is exposed to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Interest rate risk

The company's board of directors has the overall responsibility for the establishment and oversight of the company's risk management framework. This note presents information about the risks associated with its financial instruments, the company's objectives, policies and processes for measuring and managing risk, and the company's management of capital.

#### Credit Risk

The Company is exposed to credit risk as a result of the risk of counterparties defaulting on their obligations. The Company's exposure to credit risk primarily relates to cash and cash equivalent, investments in equity and debt instruments, loans & other financial assets and accounts receivable.

The Company monitors and limits its exposure to credit risk on a continuous basis. Credit Risk on cash and cash equivalents is limited as the Company generally invest in deposits with nationalized banks. Investments in equity and debt securities consist of investment in subsidiaries/associates. Loans are primarily provided to subsidiaries/associates and are in the nature of short-term as the same is repayable on demand.

The Company's credit risk associated with accounts receivable is managed through periodical review of the financial reliability of its customers, taking into account the financial condition, current economic trends and analysis of historical bad debts and ageing of accounts receivables.

The Company's financial assets which are exposed to credit risk are as follows:

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Investment in Equity (Refer note 4)	44,945.05	62,980.04
Investment in Bond (Refer note 4)	510.00	520.38
Investment in Debt Securities (Refer note 4)	20,736.02	21,968.86
Investment in Warrant (Refer note 4)	23,023.30	23,023.30
Trade and other receivables (Refer note 7)	555.07	786.87
Cash and cash equivalents and other bank balance (Refer note 8 & 9)	1,240.45	1,391.87
Loans & Other Financials Asset (Refer note 5(i), 5(ii) & 10)	31,960.68	39,306.65
<b>Total</b>	<b>122,970.57</b>	<b>149,977.97</b>

### Trade Receivables Ageing analysis

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Not due	-	-
Up to 180 days	248.92	485.32
More than 180 days	306.15	301.55
<b>Total</b>	<b>555.07</b>	<b>786.87</b>

No significant changes in estimation techniques or assumptions were made during the reporting period.

## Notes to the Financial Statements for the year ended March 31, 2022

## 32 iii) Financial Instrument related disclosures (Contd...)

**Liquidity risk**

The company is exposed to liquidity risk related to its ability to fund its obligations as and when they become due. The company monitors and manages its liquidity risk to ensure access to sufficient funds to meet operational and financial requirements. The company has access to credit facilities and monitors cash and bank balances on a regular basis. In relation to the company's liquidity risk, the company's policy is to ensure that it will have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions without incurring unacceptable losses.

**Financing arrangements**

The Company has access to following undrawn borrowing facilities at the end of the reporting year:

(₹ in Lakhs)

Particulars	March 31, 2022	March 31, 2021
Term Loan facilities	-	349.00

**Maturities of financial liabilities**

The contractual undiscounted cash flows of financial liabilities are as follows:

(₹ in Lakhs)

As at 31 March 2022	Less than 1 year	1-5 years	Over 5 Years	Total
Borrowings (Refer note 16(i), 16(ii))	11,395.03	19,651.00	-	31,046.03
Trade payables (Refer note 19)	361.22	-	-	361.22
Other financial liabilities (Refer note 17 (i) & 17 (ii))	6,365.19	4,878.55	-	11,243.74
	<b>18,121.44</b>	<b>24,529.55</b>	-	<b>42,650.99</b>

(₹ in Lakhs)

As at 31 March 2021	Less than 1 year	1-5 years	Over 5 Years	Total
Borrowings (Refer note 16(i) & 16(ii))	12,865.74	19,651.00	-	32,516.74
Trade payables (Refer note 19)	134.62	-	-	134.62
Other financial liabilities (Refer note 17 (i) & 17 (ii))	979.36	2,163.26	-	3,142.62
	<b>13,979.72</b>	<b>21,814.26</b>	-	<b>35,793.98</b>

**Interest rate risk**

Interest rate risk is the risk that an upward movement in the interest rate would adversely effect the borrowing cost of the company. The company manages its interest rate risk by regular monitoring and taking necessary actions as are necessary to maintain an appropriate balance.

The exposure of the Company's borrowings to interest rate changes at the end of the reporting period are as follows:

**a) Interest rate risk exposure**

(₹ in Lakhs)

	March 31, 2022	March 31, 2021
Variable rate borrowings	-	-

**b) Sensitivity analysis**

Profit or loss estimate to higher/lower interest rate expense from variable rate borrowings as a result of changes in interest rates.

(₹ in Lakhs)

	Impact on profit	
	March 31, 2022	March 31, 2021
Interest rates - increase by 70 basis points	-	-
Interest rates - decrease by 70 basis points	-	-

## Notes to the Financial Statements for the year ended March 31, 2022

- 33** The Company has executed a Securities Purchase Agreement (SPA) dated January 20, 2021 and related transaction documents, with a Purchaser acting through its investment manager, for sale of the entirety of the Company's shareholding in Shree Jagannath Expressways Private Limited ('SJEPL'). SJEPL is an 'Associate' of the Company. The proposed sale of shares of SJEPL is subject to applicable regulatory and other approvals and certain conditions, more specifically laid down in the SPA. The valuation date for sale as per the SPA is September 30, 2020. The Equity value of the proposed transaction is subject to adjustments of debt and other capital and operational costs at closing date and hence, net consideration receivable is not ascertainable at this stage.
- 34** The Company did not have any transactions with Companies struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956 during the Financial Year.
- 35** Additional Regulatory information required by schedule III to the Companies Act, 2013
- i. The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property under the Benami Transaction Prohibition Act, 1988 (45 of 1988) and Rules made thereunder.
  - ii. The Company has not been declared willful defaulter by any bank or financial institution or any other lender.
  - iii. The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.
  - iv. Utilisation of borrowed funds and share premium
    - I. The Company have not advanced or loaned or invested funds to any other person or entity, 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 on behalf of the Company (Ultimate Beneficiaries); or
      - b. provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
    - II. The Company have not received any fund from any person or entity, 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.
    - v. The Company does not have any 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 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
    - vi. The Company has complied with the requirement with respect to number of layers as prescribed under section 2(87) of the Companies, Act, 2013 read with Companies(Restriction of number of layers) Rules, 2017.
- 36** These financial statements has been approved and adopted by Board of Directors of the Company in their meeting dated 30 May, 2022 for issue to the shareholders for their adoption.

As per our report of even date

**For S.S. Kothari Mehta & Company**  
Chartered Accountants  
Firm Registration No. 000756N

**Rana Sen**  
Partner  
Membership No. 066759

Place : Kolkata  
Date : May 30, 2022

**For and On behalf of the Board of Directors**

**Brahm Dutt**  
Chairman  
DIN : 05308908

**Naresh Mathur**  
Company Secretary

**Bajrang K Choudhary**  
Managing Director  
DIN : 00441872

**C K Ranganathan**  
Chief Financial Officer

## Independent Auditor's Report

To  
The Members of Bharat Road Network Limited

### Report on the Consolidated Financial Statements

#### Qualified opinion

We have audited the accompanying consolidated financial statements of Bharat Road Network Limited (hereinafter referred to as the 'Holding Company') and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group") and its share of loss of its associate companies, which comprise the consolidated Balance Sheet as at March 31, 2022, and the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, *except for the impact of the matter as described in the basis for qualified opinion paragraph*, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2022, the consolidated loss and consolidated total comprehensive loss, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

#### Basis for Qualified Opinion

We refer note - 19(b)(i) of the consolidated financial statements, where the Holding Company has not recognized interest on ₹7,000 lakhs from July 01, 2019 onwards which is not in compliance of Ind AS 1 'Presentation of Financial Statements' read with Ind AS 109 'Financial Instruments'. Due to this, loss before tax of the Group for the year ended March 31, 2022 has been understated by ₹892.50 lakhs and the current liabilities as at March 31, 2022 has been understated by ₹2,457.43 lakhs.

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion on the consolidated financial statements.

#### Key Audit Matters

Key audit matters (KAM) are those matters that, in our professional judgment were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed

in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Following are the Key Audit Matters (KAM) –

Sl. No.	Key Audit Matter	Auditor's Response
1	Investments in Optionally Convertible Debentures of subsidiaries and associates has been considered as financial assets and valued at Fair Value Through Profit and Loss. Refer note 8 of the consolidated financial statements.	We have reviewed the projections and related information and explanations and additionally considered the valuation report of a registered valuer appointed by the Holding Company.

#### Information Other than the Consolidated Financial Statements and Auditor's Report thereon

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

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

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

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

#### Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group including its Associates in accordance with the Ind AS and accounting principles generally accepted in India.

The respective Board of Directors of the companies included in the Group and of its Associates are responsible for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and its Associates and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatements, whether due to fraud or error.



In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its Associates are responsible for assessing the ability of the Group and its Associates to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and its Associates are also responsible for overseeing of the financial reporting process.

### **Auditor's Responsibility for the Audit of the Consolidated Financial Statements**

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

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

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

the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its Associates to express an opinion on the consolidated financial statements.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonable knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

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

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

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

### **Other Matters**

We did not audit the financial statements/financial information of three Subsidiary Companies included in these Consolidated Financial Statements whose financial statements reflect total assets of ₹2,04,381.54 lakhs as at March 31, 2022, total revenues of ₹22,217.90 lakhs, total net loss after tax of ₹10,153.12 lakhs and total comprehensive loss of ₹10,135.24 lakhs and net cash flows of ₹1,414.77 lakhs for the year ended March 31, 2022, as considered in the Consolidated Financial Statements. The Consolidated financial statements also include the Group's share of net loss after tax of ₹13,733.18 lakhs and the Group's share of total comprehensive loss of ₹13,725.54 lakhs for the year ended March 31, 2022 as considered in the Consolidated Financial Statements in respect of four Associate Companies. The Financial Statements of these subsidiary companies and these associate companies have been audited by other auditors whose reports have been furnished to us by the Management, and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associates, is based solely on the reports of the other auditors.

The consolidated financial statements also include the Group's share of net loss after tax of ₹nil and the Group's share of total comprehensive loss of ₹ nil for the year ended March 31, 2022 as considered in the consolidated financial statements in respect of one associate which has not been audited and have been approved and furnished to us by the Management. In our opinion and according to the information and explanations given to us by the Management, this financial statements / financial information is not material to the Group.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and reports of the other auditors and the financial statements / financial information certified by the Management.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, based on our audit and on the consideration of report of other auditors on separate financial statements and other financial information of the subsidiary companies and associate companies, incorporated in India, as noted in other matter paragraph we give in the "Annexure A" a statement on the matters specified in paragraph 3 (xxi) of the Order.
2. As required by section 143(3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;
  - b. *Except for the possible effects of the matters described in the basis for qualified opinion paragraph*, in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other Auditors;
  - c. The Consolidated Balance Sheet, Consolidated Statement of Profit and Loss (including other comprehensive income), Consolidated Statement of Cash Flows and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of the consolidated financial statements;
  - d. In our opinion, *except for the effects of the matters described in the basis for qualified opinion paragraph*, the aforesaid consolidated financial statements comply with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act read with relevant rules issued thereunder;
  - e. On the basis of the written representations received from the directors as on March 31, 2022 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022, from being appointed as a director in terms of Section 164(2) of the Act;
  - f. With respect to the adequacy of the internal financial controls over financial reporting of the Group and its Associates incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
  - g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:
 

As per the information and explanation given to us and on the basis of our examination of the records, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
  - h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

- i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its Associate companies. Refer note 19(b)(l) and note 34.5 to the consolidated financial Statements.
- ii) The Group and its Associate companies has made provisions in its Consolidated Financial Statements, as required under the applicable law or Indian accounting standards, for material foreseeable losses on long term contracts including derivative contracts;
- iii) There were no amount which were required to be transferred to the Investor Education and Protection Fund by the Group and its Associate companies.
- iv) a) The respective management of the Group and its Associates have represented that, to the best of their knowledge and belief, no funds have been advanced or loaned or invested by the group or its associates to or in any other person or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the group or its associates ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
  - b) The respective management of the Group and its Associates have represented that, to the best of their knowledge and belief, no funds have been received by the group or its associates from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the group or its associates shall, whether, 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 provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
  - c) Based on the audit procedures that were considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries and associates, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause iv (a) and iv (b) contain any material misstatement.
- v) No dividend has been declared or paid during the financial year by the Group or its Associates.

For **S. S. Kothari Mehta & Company**

Chartered Accountants

Firm Registration No. 000756N

**Rana Sen**

Partner

Membership No.066759

Place: Kolkata

Date: May 30, 2022

UDIN: 22066759AJXCIB9532

## ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BHARAT ROAD NETWORK LIMITED (COMPANY)

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report)

xxi. Following are the qualifications or adverse remarks by the respective auditors in their report on Companies (Auditors Report) Order, 2020 of the Companies included in the consolidated financial statements.

Sr. No.	Name	CIN	Holding Company/ subsidiary/Associate/ Joint Venture	Clause number of the CARO report which is qualified or adverse
1	Bharat Road Network Limited	L45203WB2006PLC112235	Holding Company	(vii)(a), (ix)(a)
2	Solapur Tollways Private Limited	U45400WB2012PTC174135	Subsidiary	(ix)(a)
3	Kurukshetra Expressway Private Limited	U45400HR2010PTC040303	Associate	(vii)(a), (ix)(a)
4	Mahakaleshwar Tollways Private Limited	U45203MP2008PTC021157	Associate	(ix)(a)

In respect of one Associate Company, consolidation has been based on management approved financial statements and the audit report under Companies (Auditors Report) Order, 2020 of the said associate company has not been issued till the date of our Auditor's Report.

For **S. S. Kothari Mehta & Company**

*Chartered Accountants*

Firm Registration No. 000756N

**Rana Sen**

*Partner*

Membership No.066759

Place: Kolkata

Date: May 30, 2022

UDIN: 22066759AJXCIB9532

## ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BHARAT ROAD NETWORK LIMITED (COMPANY)

**Report on the Internal Financial Controls under clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") as referred to in paragraph 2(f) of 'Report on Other Legal and Regulatory Requirements' section of our report referred above**

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2022, we have audited the internal financial controls over financial reporting of Bharat Road Network Limited (hereinafter referred to as "Holding Company") and its subsidiary companies and associate companies, which are companies incorporated in India, as of that date.

### Management's Responsibility for Internal Financial Controls

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

### Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Holding Company, its subsidiary companies and its associate companies, which are companies incorporated in India, based on our audit.

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

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

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other Auditors of the Subsidiary Companies and Associate Companies (except one associate company which has not been audited and have been approved and furnished to us by the Management), which are Companies incorporated in India, in terms of their report referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the holding company, its subsidiary companies and its associate companies, which are companies incorporated in India.

### Meaning of Internal Financial Controls Over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

A Company's internal financial control over financial reporting includes those policies and procedures that:

- pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and
- provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

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

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

### Opinion

In our opinion and based on the consideration of the other auditors referred to in the Other Matters paragraph below, the holding company, its subsidiary companies and its associate companies which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were generally operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

### Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting –

- insofar as it relates to three subsidiary companies and four associate companies, which are companies incorporated in India, is based solely on the corresponding reports of the auditors of such companies incorporated in India.
- does not consider one associate company which has not been audited and have been approved and furnished to us by the Management. In our opinion and according to the information and explanations given to us by the Management, this associate company is not material to the Group.

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

**For S. S. Kothari Mehta & Company**  
Chartered Accountants  
Firm Registration No. 000756N

**Rana Sen**  
Partner

Membership No.066759

Place: Kolkata  
Date: May 30, 2022  
UDIN: 22066759AJXCIB9532

## Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with Annual Audited Financial Results - (Consolidated)

**Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2022**  
[See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]

(₹in Lakhs)

I	Sl. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
	1	Turnover / Total Income	22,672.53	22,672.53
	2	Total Expenditure	49,700.39	50,592.89
	3	Profit/(Loss) before tax	(40,761.04)	(41,653.54)
	4	Earnings per Share (Rs.)	(46.30)	(47.10)
	5	Total Assets	284,633.51	285,251.99
	6	Total Liabilities	284,633.51	285,251.99
	7	Net worth	50,906.56	49,067.61
	8	Any other financials item(s) (as felt appropriate by the Management)		

### II Audit Qualification (each audit qualification separately):

- a. Details of Audit Qualification: The Holding Company has not recognized interest on ₹7,000 lakhs from July 01, 2019 onwards which is not in compliance of Ind AS 1 'Presentation of Financial Statements' read with Ind AS 109 'Financial Instruments'. Due to this, loss before tax of the Group for the quarter ended March 31, 2022 has been understated by ₹220.07 lakhs and loss before tax of the Group for the year ended March 31, 2022 has been understated by ₹892.50 lakhs and the current liabilities as at March 31, 2022 has been understated by ₹2,457.43 lakhs.

- b. Type of Audit Qualification : Qualified Opinion

- c. Frequency of qualification: For the year ended 31st March 22, 31st March 21 & 31st March 20

- d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:

The Holding Company had received an amount of ₹7000 lakhs from IL&FS Group - IL&FS Financial Services Ltd. (IL & FS) in the FY 2016-17. The Holding Company also has a receivable of ₹11,419 lakhs from IL&FS Group - IL & FS Transportation Networks Limited (ITNL), hence the Holding Company has initiated appropriate measures for set off of this payable and recovery of the balance amount.

As per NCLAT order , these companies have been classified under IL&FS Group.

The Holding Company, as such, has put on hold the interest and Principal payment since September 30, 2018. The Holding Company has not provided interest from July 01, 2019 onwards, pending the settlement of dispute. An application has been filed against the Holding Company by IL & FS before the Hon'ble National Company Law Tribunal, Kolkata claiming their dues which is yet not admitted.

- e. For Audit Qualification(s) where the impact is not quantified by the auditor: Same is already quantified.

(i) Management's estimation on the impact of audit qualification: Not Applicable

(ii) If management is unable to estimate the impact, reasons for the same: Not Applicable

(iii) Auditors' Comments on (i) or (ii) above: Not Applicable

For **S. S. Kothari Mehta & Company**

Chartered Accountants  
Firm Registration No.000756N

**Rana Sen**

Partner  
Membership No. 066759

Place : Kolkata  
Date : May 30, 2022

For and On behalf of the Board of Directors

**Brahm Dutt**

Audit Committee Chairman  
DIN : 05308908

**Bajrang K Choudhary**

Managing Director  
DIN : 00441872

**CK Ranganathan**  
Chief Financial Officer

**Consolidated Balance Sheet** as at March 31, 2022

(₹ in Lakhs)

Particulars	Note No.	As at March 31, 2022	As at March 31, 2021
<b>I. ASSETS</b>			
<b>Non-Current Assets</b>			
(a) Property, Plant and Equipment	4	152.37	160.32
(b) Investment Property	5	4.85	4.85
(c) Goodwill on Consolidation		6,516.20	5,405.27
(d) Other Intangible Assets	6	156,234.23	160,496.77
(e) Intangible Asset Under Development	7	15,805.82	13,222.19
(f) Financial Assets			
(i) Investments	8	18,621.16	34,811.37
(ii) Loans	9(i)	9.70	5,434.28
(iii) Other financial assets	10(i)	20,688.49	20,688.49
(g) Other Non-Current Assets	11(i)	9,328.94	9,111.93
(h) Deferred Tax Asset (Net)	22	1,954.57	57.77
<b>Total Non-Current Assets</b>		<b>229,316.33</b>	<b>249,393.24</b>
<b>Current Assets</b>			
(a) Financial Assets			
(i) Investments	12	1,968.96	7,814.86
(ii) Trade receivables	13	13,795.73	13,519.95
(iii) Cash and Cash Equivalents	14	2,923.96	4,440.14
(iv) Bank Balances Other than Cash and Cash Equivalents	15	1,200.81	1,250.81
(v) Loans	9(ii)	11,608.73	14,640.82
(vi) Other Financial Assets	10(ii)	21,490.91	21,113.80
(b) Current Tax Assets (net)	16	621.20	476.85
(c) Other Current Assets	11(ii)	1,706.88	1,631.46
<b>Total Current Assets</b>		<b>55,317.18</b>	<b>64,888.69</b>
<b>Non Current Assets Held for Sale</b>	8A	-	-
<b>Total Assets</b>		<b>284,633.51</b>	<b>314,281.93</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share Capital	17	8,395.00	8,395.00
(b) Other Equity	18	42,511.56	80,239.48
<b>Attributable to Owners of the Parent</b>		<b>50,906.56</b>	<b>88,634.48</b>
Non-Controlling Interests		9,277.46	10,508.95
<b>Total Equity</b>		<b>60,184.02</b>	<b>99,143.43</b>
<b>LIABILITIES</b>			
<b>Non-Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	19(i)	133,776.24	141,279.65
(ii) Other Financial Liabilities	20(i)	22,619.43	14,462.77
(b) Provisions	21(i)	4,906.76	6,173.05
<b>Total Non-Current Liabilities</b>		<b>161,302.43</b>	<b>161,915.47</b>
<b>Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	19(ii)	15,463.17	12,637.46
(ii) Trade payables			
– Total outstanding dues of micro enterprise and small enterprise	23	139.47	-
– Total outstanding dues of creditors other than micro enterprise and small enterprise		361.22	134.62
(iii) Other Financial Liabilities	20(ii)	46,453.43	40,187.84
(b) Other Current Liabilities	24	715.04	254.78
(c) Provisions	21(ii)	14.73	8.33
<b>Total Current Liabilities</b>		<b>63,147.06</b>	<b>53,223.03</b>
<b>Total Equity and Liabilities</b>		<b>284,633.51</b>	<b>314,281.93</b>

The accompanying notes 1 to 40 are an integral part of the Consolidated Financial Statements.

As per our report of even date

**For S.S. Kothari Mehta & Company**
*Chartered Accountants*

Firm Registration No. 000756N

**Rana Sen**
*Partner*

Membership No. 066759

Place : Kolkata

Date : May 30, 2022

**For and On behalf of the Board of Directors**
**Brahm Dutt**
*Chairman*

DIN : 05308908

**Naresh Mathur**
*Company Secretary*
**Bajrang K Choudhary**
*Managing Director*

DIN : 00441872

**C K Ranganathan**
*Chief Financial Officer*



## Consolidated Statement of Profit and Loss for the year ended March 31, 2022

(₹ in Lakhs)

Particulars	Note No.	Year Ended March 31, 2022	Year Ended March 31, 2021
I Revenue from operations	25	21,639.65	20,951.99
II Other income	26	1,032.88	3,543.80
III <b>Total income (I+II)</b>		<b>22,672.53</b>	<b>24,495.79</b>
IV <b>Expenses:</b>			
Construction expenses		6,740.20	938.10
EPC Cost		1,004.11	2,002.91
Employee benefits expense	27	1,383.17	1,352.19
Finance costs	28	18,214.21	16,715.07
Depreciation and amortisation expense	29	4,289.79	3,948.15
Other expenses	30	3,750.86	11,976.49
<b>Total expenses (IV)</b>		<b>35,382.34</b>	<b>36,932.91</b>
V <b>Profit/(Loss) before Share of Profit / (Loss) of Associates, exceptional items and tax (III-IV)</b>		<b>(12,709.81)</b>	<b>(12,437.12)</b>
VI Share of Profit / (Loss) of Associates		(13,733.18)	(76.01)
VII <b>Profit/(Loss) before exceptional items and tax (V+VI)</b>		<b>(26,442.99)</b>	<b>(12,513.14)</b>
VIII Exceptional items	31	(14,318.05)	-
IX <b>Profit/(Loss) before tax (VII+VIII)</b>		<b>(40,761.04)</b>	<b>(12,513.14)</b>
X <b>Tax expense</b>	32		
- Current tax		(0.01)	(33.11)
- Deferred Tax		(1,894.24)	(598.30)
<b>Total tax expense</b>		<b>(1,894.25)</b>	<b>(631.41)</b>
XI <b>Profit / (loss) for the year (IX-X)</b>		<b>(38,866.79)</b>	<b>(11,881.72)</b>
XII <b>Other Comprehensive income</b>			
(i) Items that will not be reclassified to profit or loss	33		
- Remeasurement of defined benefit plans		7.71	23.83
- Share of other comprehensive income in associate		8.28	15.21
(ii) Income tax relating to items that will not be reclassified to profit or loss	32	2.56	(1.93)
<b>Total Other Comprehensive Income</b>		<b>18.55</b>	<b>37.11</b>
XIII <b>Total Comprehensive Income/(loss) for the year (XI+XII)</b>		<b>(38,848.24)</b>	<b>(11,844.61)</b>
XIV <b>Profit/(Loss) for the year</b>			
Attributable to:			
Owners of the parent		(37,631.73)	(11,424.15)
Non-controlling interests		(1,235.06)	(457.57)
XV <b>Other comprehensive income/(Loss) for the year</b>			
Attributable to:			
Owners of the parent		14.96	32.29
Non-controlling interests		3.59	4.82
XVI <b>Total comprehensive income/(Loss) for the year</b>			
Attributable to:			
Owners of the parent		(37,616.77)	(11,391.86)
Non-controlling interests		(1,231.47)	(452.75)
XVII <b>Earnings per equity share (of Rs. 10/- each):</b>	34.2		
a) Basic (Rs.)		(46.30)	(14.15)
b) Diluted (Rs.)		(46.30)	(14.15)

The accompanying notes 1 to 40 are an integral part of the Consolidated Financial Statements.

As per our report of even date

**For S.S. Kothari Mehta & Company**

Chartered Accountants

Firm Registration No. 000756N

**Rana Sen**

Partner

Membership No. 066759

Place : Kolkata

Date : May 30, 2022

**For and On behalf of the Board of Directors**

**Brahm Dutt**

Chairman

DIN : 05308908

**Naresh Mathur**

Company Secretary

**Bajrang K Choudhary**

Managing Director

DIN : 00441872

**C K Ranganathan**

Chief Financial Officer



## Consolidated Statement of Changes in Equity for the year ended March 31, 2022

### (a) Equity Share Capital

(₹ in Lakhs)

Particulars	Balance at the beginning of the year	Change in equity share capital during the year	Balance at the end of the year
For year ended March 31, 2021 *	8,395.00	-	8,395.00
For year ended March 31, 2022 *	8,395.00	-	8,395.00

\*For details refer note 17

### (b) Other Equity

(₹ in Lakhs)

Particulars	Reserves and Surplus			Attributable to owners of parent	Non controlling interest (incl OCI)	Total
	Capital Reserve	Securities Premium Reserve	Retained Earnings			
<b>Balance as of 1st April 2020</b>	3,372.46	106,021.04	(17,661.63)	91,731.85	10,961.70	102,693.55
<b>Changes in other equity for year ended 31st March' 2021</b>						
Profit/(Loss) for the year	-	-	(11,424.15)	(11,424.15)	(457.57)	(11,881.72)
Other comprehensive income for the year	-	-	32.29	32.29	4.82	37.11
Addition during year	(100.54)	-	-	(100.54)	-	(100.54)
<b>Balance as at 31st March 2021 **</b>	<b>3,271.92</b>	<b>106,021.04</b>	<b>(29,053.48)</b>	<b>80,239.48</b>	<b>10,508.95</b>	<b>90,748.43</b>
<b>Changes in other equity for year ended 31st March'2022</b>						
Profit/(Loss) for the year	-	-	(37,631.73)	(37,631.73)	(1,235.06)	(38,866.79)
Other comprehensive income for the year	-	-	14.96	14.96	3.59	18.55
Addition during year	(111.15)	-	-	(111.15)	-	(111.15)
<b>Balance as at 31st March 2022 **</b>	<b>3,160.77</b>	<b>106,021.04</b>	<b>(66,670.25)</b>	<b>42,511.56</b>	<b>9,277.46</b>	<b>51,789.02</b>

\*\*For detail refer note 18

#### Capital Reserve

The Reserve represents impact arising on Consolidation.

#### Securities Premium Reserves

Securities premium reserves is used to record the premium on issue of shares. The reserve is utilised in accordance with the provision of the Companies Act, 2013.

#### Retained Earnings

The reserve represent the cumulative profits &amp; losses and effects of remeasurement of defined benefit obligations. This reserve can be utilised in accordance with the provisions of the Companies Act, 2013.

The accompanying notes 1 to 40 are an integral part of the Consolidated Financial Statements.

As per our report of even date

#### For S.S. Kothari Mehta & Company

Chartered Accountants

Firm Registration No. 000756N

#### Rana Sen

Partner

Membership No. 066759

Place : Kolkata

Date : May 30, 2022

#### For and On behalf of the Board of Directors

#### Brahm Dutt

Chairman

DIN : 05308908

#### Naresh Mathur

Company Secretary

#### Bajrang K Choudhary

Managing Director

DIN : 00441872

#### C K Ranganathan

Chief Financial Officer

## Consolidated Cash Flow Statement for the year ended March 31, 2022

(₹ in Lakhs)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
<b>A. Cash Flow from Operating Activities</b>		
Net Profit/(Loss) Before Tax	(40,761.04)	(12,513.13)
Adjustments for:		
Depreciation and amortisation Expense	4,289.79	3,948.15
Finance Costs	18,214.21	16,715.07
Loan written off	3,308.11	-
Advance written off	-	1,555.07
Sundry Balance Written Off	-	3.43
Liability no longer required written back	(3.58)	(5.29)
Bad Debt	-	0.13
Interest Income	(180.25)	(623.82)
Interest on income tax refund	(7.33)	-
Net gain/(loss) on Fair Valuation of Investments	6,467.69	2,535.77
<b>Operating Profit before Working Capital Changes</b>	<b>(8,672.41)</b>	<b>11,615.38</b>
Increase/(Decrease) in Trade Payables, other liabilities and provisions	12,969.43	(3,352.34)
Decrease/(Increase) in trade receivables, loans, advances and other assets	(1,957.77)	(2,997.51)
<b>Cash generated from/(used in) Operating activities</b>	<b>2,339.25</b>	<b>5,265.53</b>
Direct Taxes paid (net of refunds)	(144.34)	(138.80)
<b>Net Cash flow from/(used in) Operating Activities</b>	<b>2,194.91</b>	<b>5,126.73</b>
<b>B. Cash Flow from Investing Activities</b>		
Payment for fixed assets and intangible assets (including capital advance )(Net)	(2,826.96)	1,463.74
Maturity/( Investment) in Fixed Deposit with Bank ( more than 3 months)	50.00	(1,250.00)
Loan taken/(given)	5,148.56	16,879.13
(Increase)/ Decrease in Investments	15,928.44	6,993.18
Investment in Associate	-	(0.26)
Advance against Investment in Subsidiary	-	(7,641.00)
Interest received	1,328.53	315.87
<b>Net Cash flow from/(used in) Investing activities</b>	<b>19,628.57</b>	<b>16,760.66</b>
<b>C. Cash Flow from Financing Activities</b>		
Increase/(Decrease) in Goodwill on consolidation	(1,110.93)	(993.20)
Proceeds from /(Repayment) of long term borrowings	(7,503.41)	(5,727.83)
Proceeds from/(Repayment of) short term borrowings (net)	2,825.71	4,088.36
Interest Expenses	(17,551.04)	(17,222.74)
<b>Net Cash Flow from/(used in) Financing Activities</b>	<b>(23,339.67)</b>	<b>(19,855.41)</b>
<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents (A+B+C)</b>	<b>(1,516.18)</b>	<b>2,031.98</b>
Opening Cash and Cash Equivalents (Refer Note No.14)	4,440.14	2,408.15
<b>Closing Cash and Cash Equivalents (Refer Note No.14)</b>	<b>2,923.96</b>	<b>4,440.14</b>

**Notes:****a) Changes in Liabilities arising from Financing Activities**

(₹ in Lakhs)

Particulars	As at April 1, 2021	Cash Flow (incl. impact of effective interest rate)	As at March 31, 2022
Non Current Borrowings (including current maturities refer note 19(i) & 19(ii))	153,917.11	(4,678.00)	149,239.41

b) The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Ind AS -7 "Statement of Cash Flows".

The accompanying notes 1 to 40 are an integral part of the Consolidated Financial Statements.

As per our report of even date

**For S.S. Kothari Mehta & Company**

Chartered Accountants

Firm Registration No. 000756N

**Rana Sen**

Partner

Membership No. 066759

Place : Kolkata

Date : May 30, 2022

**For and On behalf of the Board of Directors**

**Brahm Dutt**

Chairman

DIN : 05308908

**Naresh Mathur**

Company Secretary

**Bajrang K Choudhary**

Managing Director

DIN : 00441872

**C K Ranganathan**

Chief Financial Officer

## Notes to the Consolidated Financial Statements for the year ended March 31, 2022

### 1. Company Overview

#### Corporate Information

Bharat Road Network Limited (the Company) is domiciled and incorporated in India and its shares are quoted on BSE Limited ('BSE') and National Stock Exchange of India Limited ('NSE') w.e.f. 18th September, 2017. The Registered Office of the Company is at Plot X1-2 & 3, Ground Floor, Block-EP, Sector-V, Salt Lake City, Kolkata - 700 091.

The Company is presently engaged in the business of designing, building, operating, maintaining and carrying out all other activities pertaining to road projects. As per the guidelines of respective Government Authority and the requirements of the Concession Agreements, such road projects are required to be implemented under the Built, Operate & Transfer (BOT) model by creating Special Purpose Vehicles (SPVs) so that after the concession period, the SPV can be transferred to the respective authority on an "as is where is basis". The Company has, therefore, invested in various road projects under the aforesaid SPV model.

### 2. Statement of Compliance

The Company has adopted Indian Accounting Standards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) read with Section 133 of the Companies Act, 2013 ("the Act") with effect from April 1, 2017 and therefore Ind AS issued, notified and made effective till the financial statements are authorised, have been considered for the purpose of preparation of these financial statements.

Accounting Policy has been consistently applied except where a newly introduced Accounting Standard is initially adopted or a revision to an existing accounting standard requires a change in accounting policy hitherto in use.

### 3. Significant Accounting Policies

#### 3.1 Basis of Preparation

The financial Statements have been prepared on historical cost convention on accrual basis, except for certain financial instruments that are measured in terms of relevant Ind AS at fair values/amortised cost at the end of each reporting period.

Historical cost convention is generally based on fair value of the consideration given in exchange for goods and services.

As the operating cycle cannot be identified in normal course, the same has been assumed to have duration of 12 months. All Assets and Liabilities have been classified as current or non-current as per the operating cycle and other criteria set out in Ind AS-1 'Presentation of Financial Statements' and Schedule III to the Companies Act, 2013.

The Consolidated Financial Statements are presented in Indian Rupees and all values are rounded off to the nearest two decimal lakhs except otherwise stated.

#### Basis of Consolidation

The Consolidated Financial Statements (CFS) includes the financial statements of the Company and its subsidiaries together with the share of the total comprehensive income of associates.

Subsidiaries are entities controlled by the Group. Associates are entities over which the Group exercise significant influence but does not control. An entity / arrangement in which the Group has the ability to exercise control jointly with one or more uncontrolled entities may be a joint venture ("JV") or a joint operation ("JO"). Unlike in a JV where parties have proportionate interests in the assets and liabilities of the JV entity, parties have rights to and obligations towards specified assets and liabilities in a JO.

Control, significant influence and joint control is assessed annually with reference to the voting power (usually arising from equity shareholdings and potential voting rights) and other rights (usually contractual) enjoyed by the Group in its capacity as an investor that provides it the power and consequential ability to direct the investee's activities and significantly affect the Group's returns from its investment. Such assessment requires the exercise of judgement and is disclosed by way of a note to the Financial Statements.

The assets, liabilities, income and expenses of subsidiaries are aggregated and consolidated, line by line, from the date control is acquired by any Group entity to the date it ceases. Profit or loss and each component of other comprehensive income are attributed to the Group as owners and to the non-controlling interests. The Group presents the non-controlling interests in the Balance Sheet within equity, separately from the equity of the Group as owners. The excess of the Group's investment in a subsidiary over its share in the net worth of such subsidiary on the date control is acquired is treated as goodwill while a deficit is considered as a capital reserve in the CFS. On disposal of the subsidiary, attributable amount on goodwill is included in the determination of the profit or loss and recognised in the Statement of Profit and Loss. Impairment loss, if any, to the extent the carrying amount exceeds the recoverable amount is charged off to the Statement of Profit and Loss as it arises and is not reversed. For impairment testing, goodwill is allocated to Cash Generating Unit (CGU) or a group of CGUs to which it relates, which is not larger than an operating segment, and is monitored for internal management purposes.

## Notes to the Consolidated Financial Statements for the year ended March 31, 2022

An investment in an associate or a JV is initially recognized at cost on the date of the investment, and inclusive of any goodwill/capital reserve embedded in the cost, in the Balance Sheet. The proportionate share of the Group in the net profits / losses as also in the other comprehensive income is recognised in the Statement of Profit and Loss and the carrying value of the investment is adjusted by a like amount (referred as 'equity method'). All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

### 3.2 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 under current market conditions.

The Group categorizes assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed for such measurement:

**Level 1** : quoted prices (unadjusted) in active markets for identical assets or liabilities.

**Level 2** : inputs other than quoted prices included within level 1 that are observable either directly or indirectly for the asset or liability

**Level 3** : inputs for the asset or liability which are not based on observable market data.

### 3.3 Property Plant and Equipment (PPE)

- (i) Freehold land is carried at historical cost. All other items of PPE are stated at their cost of acquisition or construction and is net of accumulated depreciation. Carrying value of PPE on the date of transition has been considered to be deemed cost. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use.
- (ii) All project related expenses via civil works, machinery under erection, construction and erection materials, pre-operative expenditure net of revenue incidental / attributable to the construction of project, borrowing cost incurred prior to the date of commercial operations are shown under Capital Work -In-Progress (CWIP).
- (iii) Depreciation on property plant and equipment commences when the assets are ready for their intended use.
- (iv) Depreciation on PPE is provided on the straight-line method over the useful lives of the respective asset as estimated by the Management . The useful life of assets considered for depreciation as above are as follows:

Category	Useful life (years)
Computers	3, 6 years
Furniture & fixtures	10 years
Electrical Installation	10 years
Plant & Machinery	8,10 years
TMS	5 years
Office equipments	5 years

- (v) The residual values, useful lives and method of depreciation of are reviewed at each financial year end and adjusted prospectively, if appropriate.
- (vi) Cost of leasehold lands are amortised under the straight line method over the related lease period.

### 3.4 Intangible Assets

#### Recognition and initial measurement

#### i) Rights under Service Concession Arrangements

Intangible assets are recognised when it is probable that future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably. Intangible assets are stated at original cost net of tax/duty credits availed, if any, less accumulated amortisation and cumulative impairment.

Toll collection rights obtained in consideration for rendering construction services, represent the right to collect toll revenue from the users of the public service ( road) during the concession period in respect of Build-Operate-Transfer ("BOT") project undertaken by the SPVs. Toll collection rights are capitalized as intangible assets upon completion of the project at the

## Notes to the Consolidated Financial Statements for the year ended March 31, 2022

cumulative construction costs plus the negative grants and additional concession fee payable to National Highways Authority of India ("NHAI")/State authorities, if any. Till the completion of the project, the same is recognised under intangible assets under development.

The cost incurred for work beyond the original scope per Concession agreement (normally referred as "Change of Scope") is capitalized as intangible asset under development as and when incurred. Reimbursement in respect of such amounts from NHAI/State authorities are reduced from the carrying amount intangible assets to the extent of actual receipts.

Extension of concession period by the authority in compensation of claims made are capitalised as part of Toll Collection Rights at the time of admission of the claim or when there is a contractual right to extension at the estimated amount of claims admitted or computed based on average collections whichever is more evident.

Any Viability Gap Funding (VGF) in the form of equity support in connection with project construction is accounted as a receivable and is adjusted to the extent of actual receipts.

Pre-operative expenses including administrative and other general overhead expenses that are directly attributable to the development or acquisition of intangible assets are allocated and capitalized as part of cost of the intangible assets.

Intangible assets that are not ready for the intended use on the date of the Balance Sheet are disclosed as "Intangible assets under development".

### **Amortisation of intangible assets (Toll collection rights)**

Toll collection rights in respect of road projects are amortized over the period of concession using the revenue based amortisation method prescribed under Schedule II to the Companies Act, 2013. Under the revenue based method, amortisation is provided based on proportion of actual revenue earned till the end of the year to the total projected revenue from the intangible asset expected to be earned over the concession period. Total projected revenue is reviewed at the end of each financial year and is adjusted to reflect the changes in earlier estimate vis-a-vis the actual revenue earned till the end of the year so that the whole of the cost of the intangible asset is amortised over the concession period.

### **ii) Other Intangible Assets**

Cost of computer software packages has been allocated / amortised over a period of 6 years on straight line basis

### **3.5 Derecognition of Tangible and Intangible Assets**

An item of PPE is de-recognised upon disposal or when no future economic benefits are expected to arise from its use or disposal. Gain or loss arising on the disposal of an item of PPE is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

### **3.6 Impairment of Tangible and Intangible Assets**

Tangible and Intangible assets are reviewed at each balance sheet date for impairment. In case events and circumstances indicate any impairment, recoverable amount of assets is determined. An impairment loss is recognized in the statement of profit and loss, whenever the carrying amount of assets either belonging to Cash Generating Unit (CGU) or otherwise exceeds recoverable amount. The recoverable amount is the higher of assets fair value less cost of disposal and its value in use. In assessing value in use, the estimated future cash flows from the use of the assets are discounted to their present value at appropriate rate.

Impairment losses recognized earlier may no longer exist or may have come down. Based on such assessment at each reporting period the impairment loss is reversed and recognized in the Statement of Profit and Loss. In such cases the carrying amount of the asset is increased to the lower of its recoverable amount and the carrying amount that have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years.

### **3.7 Leases**

The Group recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment.

Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

## Notes to the Consolidated Financial Statements for the year ended March 31, 2022

The Group measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group uses incremental borrowing rate. For leases with reasonably similar characteristics, the Group, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Group is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The Group recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Group recognises any remaining amount of the re-measurement in statement of profit and loss.

The Group has elected to use the recognition exemptions for short term leases as well as low value assets.

### 3.8 Investments in Associates and Joint Ventures

Investment in the equity shares of associates & joint ventures is accounted for using the 'equity method' less accumulated impairment, if any. All other investments in scope of Ind AS 109 are measured at fair value.

### 3.9 Financial Assets and Liabilities

Financial assets and financial liabilities (financial instruments) are recognized when the Group becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in the Statement of Profit and Loss.

The financial instruments are classified to be measured at Amortized Cost, at Fair Value Through Profit and Loss (FVTPL) or at Fair Value Through Other Comprehensive Income (FVTOCI) and such classification depends on the objective and contractual terms to which they relate. Classification of financial instruments are determined on initial recognition.

#### (i) Cash and cash equivalents

All highly liquid financial instruments, which are readily convertible into known amounts of cash and which are subject to an insignificant risk of change in value and are having original maturities of three months or less from the date of purchase, are considered as cash equivalents. Cash and cash equivalents includes balances with banks which are unrestricted for withdrawal and usage.

#### (ii) Financial Assets and Financial Liabilities measured at amortized cost

Financial Assets held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding are measured at amortized cost.

The above Financial Assets and Financial Liabilities subsequent to initial recognition are measured at amortized cost using Effective Interest Rate (EIR) method.

The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts (including all fees and points paid or received, transaction costs and other premiums or discounts) through the expected life of the Financial Asset or Financial Liability to the gross carrying amount of the financial asset or to the amortised cost of financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

#### (iii) Financial Asset at Fair Value through Other Comprehensive Income (FVTOCI)

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Subsequent to initial recognition, they are measured at fair value and changes therein are recognised directly in other comprehensive income.

## Notes to the Consolidated Financial Statements for the year ended March 31, 2022

(iv) For the purpose of para (ii) and (iii) above, the principal is considered to be fair value of the financial asset at initial recognition and interest consists of consideration for the time value of money and associated credit risk.

(v) **Financial Assets or Liabilities at Fair value through profit or loss (FVTPL)**

Financial Instruments which do not meet the criteria of amortized cost or fair value through other comprehensive income are classified as Fair Value through Profit or loss. These are recognised at fair value and changes therein are recognized in the statement of profit and loss.

(vi) **Equity Instruments**

All equity investments in scope of Ind AS 109 are measured at fair value (except equity investment in associates and joint ventures). For equity instruments, the Group may make an irrevocable election to present subsequent changes in the fair value in other comprehensive income. The Group makes such election on an instrument by-instrument basis. The classification is made on initial recognition and is irrevocable if the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI.

### 3.10 Financial guarantee contracts

Financial guarantee contracts other than those which are in the nature of Insurance are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified party fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of expected loss allowance determined as per impairment requirements of Ind-AS 109 and the amount recognised less cumulative amortization.

### 3.11 Impairment of Financial Assets

A financial asset is assessed for impairment at each reporting date. A financial asset is considered to be impaired if objective evidence indicates that one or more events have a negative effect on the estimated future cash flows of that asset.

The Group measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument.

However, for trade receivables or contract assets that result in relation to revenue from contracts with customers, the Group measures the loss allowance at an amount equal to lifetime expected credit losses. For the purpose of classification of financial assets including trade receivable as credit impaired, a period of three years is considered by the management.

### 3.12 De-recognition of financial instruments

The Group derecognizes a financial asset or a group of financial assets when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset (except for equity instruments designated as FVTOCI), the difference between the asset's carrying amount and the sum of the consideration received and receivable are recognized in statement of profit and loss.

On derecognition of assets measured at FVTOCI the cumulative gain or loss previously recognised in other comprehensive income is reclassified to profit or loss as a reclassification adjustment unless the asset represents an equity investment in which case, the cumulative gain or loss previously recognised in other Comprehensive Income are reclassified within Equity.

Financial liabilities are derecognized if the Group's obligations specified in the contract expire or are discharged or cancelled. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in Statement of Profit and Loss.

### 3.13 Inventories

Inventories are valued at lower of cost or net realisable value

Cost is calculated on weighted average basis and includes expenditure incurred for bringing such inventories to their present location and condition. Adjustments in the carrying amount of obsolete, defective and slow moving items as may be identified at the time of physical verification is made where appropriate, to cover any eventual loss on their ultimate realisation.

### 3.14 Foreign Currency Transactions

**Presentation currency:**

These financial statements are presented in Indian Rupee, the national currency of India, which is the functional currency of the company.



## Notes to the Consolidated Financial Statements for the year ended March 31, 2022

### Transactions and balances:

Transactions in foreign currencies are translated into the functional currency at the exchange rates prevailing on the date of the transactions. Foreign currency monetary assets and liabilities at the year-end are translated at the year-end exchange rates. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of transaction. The loss or gain thereon and also on the exchange differences on settlement of the foreign currency transactions during the year are recognized as income or expense in the profit and loss account. Foreign exchange gain/loss to the extent considered as an adjustment to Interest Cost are considered as part of borrowing cost.

### 3.15 Provision, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a legal or constructive obligation as a result of past events and it is probable that there will be an outflow of resources and a reliable estimate can be made of the amount of obligation. Provisions are not recognized for future operating losses. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

Contingent liabilities is not recognized and are disclosed by way of notes to the financial statements when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or when there is a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the same or a reliable estimate of the amount in this respect cannot be made.

Contingent Assets are disclosed in the financial statements by way of notes to accounts when an inflow of economic benefits is probable.

### 3.16 Post-employment, long term and short term employee benefits

#### Defined contribution plans

##### Provident Fund

The Group pays provident fund contributions to publicly administered provident funds as per local regulations. The Group has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due.

##### Defined benefit plans

##### Gratuity (Unfunded)

Gratuity is a post-employment benefit and is in the nature of a defined benefit plan. The liability recognised in the financial statement in respect of gratuity is the present value of the defined benefit obligation at the reporting date less the fair value of plan assets, together with adjustments for unrecognized actuarial gains or losses and past service costs. The defined benefit/obligation is calculated at or near the reporting date by an independent actuary using the projected unit credit method.

Actuarial gains and losses arising from past experience and changes in actuarial assumptions are credited or charged to the statement of OCI in the year in which such gains or losses are determined.

##### Compensated absences

Liability in respect of compensated absences becoming due or expected to be availed within one year from the balance sheet date is recognised on the basis of undiscounted value of estimated amount required to be paid or estimated value of benefit expected to be availed by the employees. Liability in respect of compensated absences becoming due or expected to be availed more than one year after the balance sheet date is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method.

Actuarial gains and losses arising from past experience and changes in actuarial assumptions are charged to statement of profit and loss in the year in which such gains or losses are determined.

##### Short Term Employee Benefits

Recognised at the undiscounted amount as expense for the year in which the related service is provided.

### 3.17 Revenue Recognition

#### Toll Collection

Toll collections from the users of the infrastructure facility constructed by the SPVs under the Service Concession Arrangement is accounted for based on actual collection. Revenue from sale of smart cards is accounted on cash basis.

## Notes to the Consolidated Financial Statements for the year ended March 31, 2022

### Construction services

Revenue related to construction or upgrade services under a service concession arrangement is recognised based on the stage of completion of the work performed, consistent with the Group's accounting policy on recognising revenue on construction contracts. Operation or service revenue is recognised in the period in which the services are rendered.

### Service Revenue

The Group recognises revenue when it satisfies a performance obligation by transferring a promised service to a customer and it is probable that the Group will collect the consideration to which it will be entitled in exchange for the services.

### Interest Income

Interest income is generally recognized on a time proportion basis by considering the outstanding amount and effective interest rate. For all financial instruments measured at amortized cost, interest income is recorded using effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash payments or receipts through the expected life of the financial instruments or a shorter period, where appropriate, to the net carrying amount of the financial asset. When calculating the effective interest rate, the company estimates the expected cash flows by considering all the contractual terms of the financial instrument. Interest income is included in other income in the statement of profit and loss.

### Other Income

Other Income is recognized when right to receive is established.

### 3.18 Borrowing Costs

Borrowing cost comprises of interest and other costs incurred in connection with the borrowing of the funds. All borrowing costs are recognized in the Statement of Profit and Loss using the effective interest rate method except to the extent attributable to qualifying asset which are capitalized to the cost of the related assets. A qualifying asset is an asset, that necessarily takes a substantial period of time to get ready for its intended use or sale. Borrowing cost also includes exchange differences to the extent considered as an adjustment to the borrowing costs.

### 3.19 Income Tax

Income tax expense representing the sum of current tax expenses and the net charge of the deferred taxes is recognized in the statement of profit and loss except to the extent that it relates to items recognized directly in equity or other comprehensive income.

Current income tax is provided on the taxable income and recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period. Taxable Income differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense taxable on the basis different than that considered for recognition in the accounts and also due to the items that are taxable or deductible in other years and items that are never taxable or deductible.

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

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

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

Deferred tax assets include Minimum Alternative Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognized as deferred tax asset in the balance sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with asset will be realised.

### 3.20 Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

## Notes to the Consolidated Financial Statements for the year ended March 31, 2022

### 3.21 Use of Estimates and management judgements

The preparation of financial statements in conformity with Indian Accounting Standards (Ind AS) requires management of the company to make judgments, estimates and assumptions that affect the reported amount of revenues, expenses, assets, liabilities and related disclosures concerning the items involved as well as contingent assets and liabilities at the balance sheet date.

The estimates and management's judgments are based on previous experience and other factors considered reasonable and prudent in the circumstances. Actual results may differ from these estimates.

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

The areas involving critical judgement are as follows:

i) **Useful lives of property plant and equipment / intangible assets**

Property, plant and equipment / intangible assets are depreciated / amortised over their estimated useful lives, after taking into account estimated residual value. The useful lives and residual values are based on the historical experience with similar assets and take into account anticipated technological changes. The depreciation / amortisation for future periods is revised if there are significant changes from previous estimates.

ii) **Provisions and contingencies**

The assessments undertaken in recognizing provisions and contingencies have been made in accordance with Ind AS 37, 'Provisions, Contingent Liabilities and Contingent Assets'. The evaluation of the likelihood of the contingent events has required best judgment by management regarding the probability of exposure to potential loss. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change.

iii) **Post-employment benefit plans**

Employee benefit obligations are measured on the basis of actuarial assumptions which include mortality and withdrawal rates as well as assumptions concerning future developments in discount rates, the rate of salary increases and the inflation rate. It is considered that the assumptions used to measure its obligations are appropriate.

iv) **Income Taxes**

The Group's tax jurisdiction is India. Significant judgements are involved in estimating budgeted profits for the purpose of paying advance tax, determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions.

Deferred tax assets are recognised for unused tax losses and unused tax credit to the extent that it is probable that taxable profit would be available against which the losses could be utilised. Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

v) **Fair value measurements and valuation processes**

Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. In estimating the fair value of an asset or a liability, the Company uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Company engages third party valuers, where required, to perform the valuation. Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in the notes to the financial statements.

### 3.22 Government Grant

Group entities may receive government grants that require compliance with certain conditions related to the entity's operating activities or are provided to the entity by way of financial assistance on the basis of certain qualifying criteria.

Government grants are recognised when there is reasonable assurance that the grant will be received, and the Group entity will comply with the conditions attached to the grant. Accordingly, government grants:

- (a) related to or used for assets are included in the Balance Sheet as deferred income and recognised as income over the useful life of the assets.
- (b) related to incurring specific expenditures are taken to the Statement of Profit and Loss on the same basis and in the same periods as the expenditures incurred.
- (c) by way of financial assistance on the basis of certain qualifying criteria are recognised as they become receivable. In the unlikely event that a grant previously recognised is ultimately not received, it is treated as a change in estimate and the amount cumulatively recognised is expensed in the Statement of Profit and Loss.

## Notes to the Consolidated Financial Statements for the year ended March 31, 2022

## 4 PROPERTY, PLANT AND EQUIPMENT

As at March 31, 2022

(₹ in Lakhs)

Particulars	Land	Computers	Office Equipments	Furniture and Fixtures	Electrical Installations	Plant & Machinery	TMS	Total
<b>Cost</b>								
As at April 1, 2021	13.32	19.23	48.38	52.91	6.64	99.82	38.05	278.32
Additions during the Year	-	1.72	5.86	1.80	-	21.88	-	31.26
Disposal during the year	-	-	-	-	-	(12.00)	-	(12.00)
<b>Balance at March 31, 2022</b>	<b>13.32</b>	<b>20.95</b>	<b>54.24</b>	<b>54.71</b>	<b>6.64</b>	<b>109.70</b>	<b>38.05</b>	<b>297.58</b>
<b>Accumulated depreciation</b>								
As at April 1, 2021	-	15.92	28.91	12.23	0.68	25.80	34.48	118.00
Depreciation expense for the Year	-	2.09	6.64	5.62	0.67	10.57	1.65	27.24
<b>Balance at March 31, 2022</b>	<b>-</b>	<b>18.01</b>	<b>35.56</b>	<b>17.84</b>	<b>1.35</b>	<b>36.37</b>	<b>36.13</b>	<b>145.24</b>
<b>Net carrying value as at March 31, 2022</b>	<b>13.32</b>	<b>2.94</b>	<b>18.68</b>	<b>36.87</b>	<b>5.29</b>	<b>73.33</b>	<b>1.92</b>	<b>152.37</b>

As at March 31, 2021

(₹ in Lakhs)

Particulars	Land	Computers	Office Equipments	Furniture and Fixtures	Electrical Installations	Plant & Machinery	TMS	Total
<b>Cost</b>								
As at April 1, 2020	13.32	17.70	41.45	24.64	1.14	71.69	38.05	207.99
Additions during the Year	-	1.53	6.93	28.27	5.50	28.13	-	70.36
<b>Balance at March 31, 2021</b>	<b>13.32</b>	<b>19.23</b>	<b>48.38</b>	<b>52.91</b>	<b>6.64</b>	<b>99.82</b>	<b>38.05</b>	<b>278.32</b>
<b>Accumulated depreciation</b>								
As at April 1, 2020	-	12.64	22.63	9.06	0.42	18.13	27.24	90.12
Depreciation expense for the year	-	3.28	6.28	3.17	0.26	7.67	7.24	27.88
<b>Balance at March 31, 2021</b>	<b>-</b>	<b>15.92</b>	<b>28.91</b>	<b>12.23</b>	<b>0.68</b>	<b>25.80</b>	<b>34.48</b>	<b>118.00</b>
<b>Net carrying value as at March 31, 2021</b>	<b>13.32</b>	<b>3.31</b>	<b>19.47</b>	<b>40.68</b>	<b>5.96</b>	<b>74.02</b>	<b>3.57</b>	<b>160.32</b>

## 5 INVESTMENT PROPERTY

As at March 31, 2022

(₹ in Lakhs)

Particulars	Land	Total
<b>Cost</b>		
As at April 1, 2021	4.85	4.85
Additions	-	-
<b>Balance at March 31, 2022</b>	<b>4.85</b>	<b>4.85</b>
<b>Accumulated depreciation</b>		
As at 1st April 2021	-	-
Depreciation expense for the year	-	-
<b>Balance at March 31, 2022</b>	<b>-</b>	<b>-</b>
<b>Net carrying value as at March 31, 2022</b>	<b>4.85</b>	<b>4.85</b>

As at March 31, 2021

(₹ in Lakhs)

Particulars	Land	Total
<b>Cost</b>		
As at 1st April 2020	4.85	4.85
Additions	-	-
<b>Balance at March 31, 2021</b>	<b>4.85</b>	<b>4.85</b>
<b>Accumulated depreciation</b>		
As at 1st April 2020	-	-
Depreciation expense for the year	-	-
<b>Balance at March 31, 2021</b>	<b>-</b>	<b>-</b>
<b>Net carrying value as at March 31, 2021</b>	<b>4.85</b>	<b>4.85</b>

## Notes to the Consolidated Financial Statements for the year ended March 31, 2022

### 6 OTHER INTANGIBLE ASSETS

As at March 31, 2022

(₹ in Lakhs)

Particulars	Computer Software	Rights under service concession arrangements	Total
<b>Cost</b>			
As at April 1, 2021	9.60	179,828.16	179,837.76
Addition during the Year	–	–	–
<b>Balance at March 31, 2022</b>	<b>9.60</b>	<b>179,828.16</b>	<b>179,837.76</b>
<b>Accumulated amortisation</b>			
As at April 1, 2021	3.81	19,337.18	19,340.99
Amortisation expense for the Year	2.17	4,260.38	4,262.55
<b>Balance at March 31, 2022</b>	<b>5.98</b>	<b>23,597.56</b>	<b>23,603.53</b>
<b>Net carrying value as at March 31, 2022</b>	<b>3.63</b>	<b>156,230.60</b>	<b>156,234.23</b>

As at March 31, 2021

(₹ in Lakhs)

Particulars	Computer Software	Rights under service concession arrangements	Total
<b>Cost</b>			
As at April 1, 2020	4.05	179,828.16	179,832.21
Addition during the year	5.55	–	5.55
<b>Balance at March 31, 2021</b>	<b>9.60</b>	<b>179,828.16</b>	<b>179,837.76</b>
<b>Accumulated amortisation</b>			
As at April 1, 2020	2.96	15,417.76	15,420.72
Amortisation expense for the Year	0.85	3,919.42	3,920.27
<b>Balance at March 31, 2021</b>	<b>3.81</b>	<b>19,337.18</b>	<b>19,340.99</b>
<b>Net carrying value as at March 31, 2021</b>	<b>5.80</b>	<b>160,490.98</b>	<b>160,496.77</b>

### 7 INTANGIBLE ASSETS UNDER DEVELOPMENT

As at March 31, 2022

(₹ in Lakhs)

Particulars	Capital Work in progress	Total
<b>Cost</b>		
As at April 1, 2021*	13,222.19	13,222.19
Additions to Intangible Assets under development	2,583.63	2,583.63
<b>Balance at March 31, 2022 *</b>	<b>15,805.82</b>	<b>15,805.82</b>
<b>Accumulated depreciation</b>		
As at April 1, 2021	–	–
Depreciation expense for the year	–	–
<b>Balance at March 31, 2022</b>	<b>–</b>	<b>–</b>
<b>Net carrying value as at March 31, 2022</b>	<b>15,805.82</b>	<b>15,805.82</b>

As at March 31, 2021

(₹ in Lakhs)

Particulars	Capital Work in progress	Total
<b>Cost</b>		
As at April 1, 2020*	10,008.43	10,008.43
Additions to Intangible Assets under development	3,213.76	3,213.76
<b>Balance at March 31, 2021*</b>	<b>13,222.19</b>	<b>13,222.19</b>
<b>Accumulated depreciation</b>		
As at April 1, 2020	–	–
Depreciation expense for the year	–	–
<b>Balance at March 31, 2021</b>	<b>–</b>	<b>–</b>
<b>Net carrying value as at March 31, 2021</b>	<b>13,222.19</b>	<b>13,222.19</b>

\* The above Intangible Assets under Development of ₹15,805.82 lakhs ( Previous year ₹13,222.19 lakhs) is mainly in respect of one subsidiary which has commenced the business operations during the financial year ended March 31, 2020 and only the expenses relating to ongoing construction work have been kept as Intangible Assets under Development and balance have been capitalised as "Intangible Assets".

## Notes to the Consolidated Financial Statements for the year ended March 31, 2022

**Note 7 cont.****Intangible Assets under Development ageing schedule**

(₹in lakhs)

Particulars	As as March 31, 2022				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in Progress	2,583.63	3,213.76	10,008.43	-	15,805.82
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>2,583.63</b>	<b>3,213.76</b>	<b>10,008.43</b>	<b>-</b>	<b>15,805.82</b>

(₹in lakhs)

Particulars	As as March 31, 2021				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in Progress	3,213.76	10,008.43	-	-	13,222.19
Projects temporarily suspended	-	-	-	-	-
<b>Total</b>	<b>3,213.76</b>	<b>10,008.43</b>	<b>-</b>	<b>-</b>	<b>13,222.19</b>

**Completion schedule for Projects in Intangible Asset under development, which are overdue or has exceeded its cost compared to its original plan**

(₹in lakhs)

Particulars	As as March 31, 2022				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Highway Project at Solapur	15,805.82	-	-	-	15,805.82

(₹in lakhs)

Particulars	As as March 31, 2021				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Highway Project at Solapur	-	13,222.19	-	-	13,222.19

## Notes to the Consolidated Financial Statements for the year ended March 31, 2022

## 8. NON-CURRENT INVESTMENTS

Particulars	Face Value (₹)	As at March 31, 2022			As at March 31, 2021		
		Nos.	(₹ in Lakhs)	(₹ in Lakhs)	Nos.	(₹ in Lakhs)	(₹ in Lakhs)
<b>I) Investments in Unquoted Equity Shares Fully paid A,C</b>							
<b>a) In Associates (carrying cost determined using the equity method of accounting)</b>							
Kurukshetra Expressway Pvt. Ltd. <b>E</b>							
Cost of acquisition (including goodwill of ₹1,877.89 lakhs (March 31, 2021 ₹1,877.89 lakhs))	10	51,086,910	11,445.93		51,086,910	11,445.93	
Add/(less) : Group Share of profit / (losses)			(11,445.93)			(11,445.93)	
Ghaziabad Aligarh Expressway Pvt. Ltd. (Refer Note 8A)							
Cost of acquisition (including goodwill of ₹43.45 lakhs (March 31, 2021 ₹43.45 lakhs))	10		15,424.59		75,660,000	15,424.58	
Add/(less) : Group Share of profit / (losses)			(15,424.59)			(3,349.98)	12,074.61
Shree Jagannath Expressways Pvt. Ltd.							
Cost of acquisition (including goodwill / (capital reserve) of ₹ (619.50) lakhs (March 31, 2021 ₹ (619.50) lakhs))	10	59,148,000	11,216.68		59,148,000	11,216.69	
Add/(less) : Group Share of profit / (losses)			(2,419.88)	8,796.80		(769.60)	10,447.10
Mahakaleshwar Tollways Pvt. Ltd.							
Cost of acquisition (including goodwill of ₹2,875.85 lakhs (March 31, 2021 ₹2,875.85 lakhs))	10	49,995,000	1,499.85		49,995,000	1,499.85	
Add/(less) : Group Share of profit / (losses)			(1,499.85)			(1,499.85)	
Palma Gumla Pvt. Ltd. <b>D</b>							
Cost of acquisition	10	2,600	0.26		2,600	0.26	
Add/(less) : Group Share of profit / (losses)			(0.26)			(0.26)	
				<b>8,796.80</b>			<b>22,521.71</b>
<b>II) Investment in Unquoted Unsecured Optionally Convertible Debentures Fully paid A,B,C</b>							
<b>a) In Associates (at fair value through profit or loss)</b>							
Kurukshetra Expressway Pvt. Ltd.	10	93,143,600		9,314.36	93,143,600		11,769.28
				<b>9,314.36</b>			<b>11,769.28</b>
<b>III) In Quoted Unsecured Perpetual Bonds Fully paid (At amortized cost)</b>							
7.73% SBI Perpetual Bond. <b>F</b>		1,000,000	50.00	510.00	50		520.38
				<b>510.00</b>			<b>520.38</b>
<b>Total (I+II+III)</b>				<b>18,621.16</b>			<b>34,811.37</b>
<b>Aggregate amount of quoted Investments (III)</b>				<b>510.00</b>			<b>520.38</b>
<b>Aggregate market value of quoted Investments</b>				<b>516.70</b>			<b>510.54</b>
<b>Aggregate amount of Unquoted Investments (I+II)</b>				<b>18,111.16</b>			<b>34,290.99</b>
<b>Aggregate amount of impairment in the value of investments</b>							

A Refer Note 34.4

B The Unsecured Optionally Convertible Debentures does not carry any fixed rate of interest. Rate of interest, subject to maximum of 16% cumulative interest, shall be decided at the end of every Financial Year based on the residual cash flows of the respective subsidiaries and associates after servicing their respective Senior Lenders.

C The Company has pledged its following investments of various SPVs in favour of lenders for term loan facilities availed by respective SPVs :

(In Nos.)

Particulars	As at March 31, 2022		As at March 31, 2021	
	Shares	Unsecured Optionally Convertible Debentures	Shares	Unsecured Optionally Convertible Debentures
Kurukshetra Expressway Pvt. Ltd.	51,086,910	93,143,600	51,086,910	93,143,600
Ghaziabad Aligarh Expressway Pvt. Ltd	75,660,000		75,660,000	
Shree Jagannath Expressways Pvt. Ltd	59,148,000		59,148,000	
Mahakaleshwar Tollways Pvt. Ltd.	49,995,000		49,995,000	



## Notes to the Consolidated Financial Statements for the year ended March 31, 2022

- D The Company has subscribed 2,600 shares of Palma Gumla Highway Pvt Ltd at ₹10/- per share during FY 2020-21.
- E Investment in Equity Shares of Kurukshehra Expressway Pvt. Ltd. includes 1,36,70,530 shares, which are in the process of transfer in the name of the Company as on 31st March, 2022
- F The Company has acquired 50 units of 7.73% SBI Perpetual Bonds of Face value ₹10,00,000/- each at ₹10.20 lakhs per unit (including accrued Interest of ₹10.38 Lakhs) during FY 2020-21.
- G During the FY 2018-19, Company has given Corporate Guarantee of ₹107,500.00 lakhs to the lenders of Subsidiaries and Associates for the Financial Assistance availed by them which is continuing till date.

**8A NON CURRENT ASSETS HELD FOR SALE**

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Non Current Investments		
– Investments in Ghaziabad Aligarh Expressway Pvt Ltd (75,660,000 equity shares of Rs 10 each)	–	–
<b>Total</b>	<b>–</b>	<b>–</b>

Non-current Assets are classified as 'held for sale' when all the following criteria are met: (i) decision has been made to sell, (ii) all the assets are available for immediate sale in its present condition, (iii) the assets are being actively marketed and (iv) sale has been agreed or is expected to be concluded within 12 months of the Balance Sheet date. Subsequently, such non current assets classified as 'held for sale' are measured at the lower of its carrying value and Fair value.

The Company had executed a Securities Purchase Agreement (SPA) dated April 1, 2021 and related transaction documents, with a purchaser for sale of the entirety of the Company's shareholding in Ghaziabad Aligarh Expressway Private Limited (GAEPL). GAEPL is an associate of the Company. The said sale transaction was consummated on May 26, 2022.

Accordingly, it is disclosed as Non-Current Assets held for sale as at March 31, 2022.

Refer Note 31

**9. FINANCIAL ASSETS - LOANS****(i) Non-current**

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Unsecured, considered good</b>		
Loan to related Party* (Refer Note 34.8, 34.10 & 31)	–	5,428.95
Others	9.70	5.33
<b>Total</b>	<b>9.70</b>	<b>5,434.28</b>

**\* Terms of Loan are as follows:**

This Loan entitle the Loan Provider to subscribe to one equity share of Rs.10/- (Face Value of Rs 10 per share) in the Company for value of loan, subject to a re-characterization event not having taken place on the maturity of the loan, that is, at the end of the Tenure of loan (60 months from date of original issue which may be extended with mutual consent). If the loan Provider opts not to subscribe to equity shares in the Company, the amount paid as loan will be fully forfeited, and thereupon, the Loan will be deemed to have expired.

In case of re-characterization event taking place as per terms, the loan shall be deemed to have been converted into debenture. The tenure of debenture shall be 17 years from the date of issue. The debenture shall carry interest @ 14% p.a. payable only when the Borrower has distributable cash profits.

On occurrence of any of the following events, the Loan shall, on and from the Notification Date, be deemed to have been converted into Debt Obligations, with features provided for herein:

- Change of control over the Borrower.
- The Borrower not achieving revenue and/or Cash accrual as per the Projected cash flow with a (+/-) 20% variation.

Accordingly the said loan has been valued at Fair Value through Profit & Loss (FVTPL).

**(ii) Current**

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Unsecured, considered good (Carried at amortized cost)</b>		
Loan to related parties (Refer Note No. 34.8, 34.10 & 31)	9,929.28	12,737.39
Other advances	1,679.45	1,903.43
<b>Total</b>	<b>11,608.73</b>	<b>14,640.82</b>

**10. OTHER FINANCIAL ASSETS****(i) Non-Current**

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Unsecured, considered good</b>		
Claims (Receivable from NHAI) * (Refer Note No 34.7)	20,688.49	20,688.49
<b>Total</b>	<b>20,688.49</b>	<b>20,688.49</b>

## Notes to the Consolidated Financial Statements for the year ended March 31, 2022

(ii) Current		(₹ in Lakhs)	
Particulars	As at March 31, 2022	As at March 31, 2021	
Advance to Suppliers and Others	780.00	784.36	
Interest accrued on fixed deposit & Bonds	67.64	65.35	
Security deposit	2.69	2.70	
Other receivables (Refer note 19(b)(i) )	12,768.06	12,397.05	
Advance against Purchase of Investment *	7,641.00	7,641.00	
Interest receivable From KMCCL (VUP Advance)	231.52	223.35	
<b>Total</b>	<b>21,490.91</b>	<b>21,113.80</b>	

\* During the FY 2020-21, the company has given advance to shareholders of Guruvayoor Infrastructure Pvt Ltd for purchase of 4,39,41,294 equity shares of Guruvayoor Infrastructure Pvt Ltd. The same is subject to Regulatory approvals.

11. (i) Other Non-Current Assets		(₹ in Lakhs)	
Particulars	As at March 31, 2022	As at March 31, 2021	
Capital advances	9,279.40	9,050.09	
Others			
Security deposits	15.22	15.22	
WCT receivables	34.32	40.50	
GST receivable	-	6.12	
<b>Total</b>	<b>9,328.94</b>	<b>9,111.93</b>	

(ii) Other Current Assets		(₹ in Lakhs)	
Particulars	As at March 31, 2022	As at March 31, 2021	
Capital advances	270.86	270.86	
Receivable from NHAI	296.02	296.02	
Advance for COS	48.99	48.92	
Other Advances	406.96	573.36	
Balance with Statutory Authorities	386.18	126.05	
Prepaid expenses	153.55	165.14	
Unamortised borrowing costs	144.32	151.11	
<b>Total</b>	<b>1,706.88</b>	<b>1,631.46</b>	

12. INVESTMENTS- CURRENT		(₹ in Lakhs)	
Particulars	As at March 31, 2022	As at March 31, 2021	
<b>Carried at fair value through profit or loss</b>			
<b>Quoted</b>			
<b>Investment in Mutual funds</b>			
IDFC Low Duration Fund- Growth (Direct Plan) (FV -10) - (No of units : 61,80,009.747 , PY 25,490,599.86)	1,968.96	7,814.86	
<b>Total</b>	<b>1,968.96</b>	<b>7,814.86</b>	
Aggregate amount of quoted investments and market value thereof;	1,968.96	7,814.86	
Aggregate amount of unquoted investments	-	-	
Aggregate amount of impairment in value of investments	-	-	

## Notes to the Consolidated Financial Statements for the year ended March 31, 2022

## 13. TRADE RECEIVABLES

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Unsecured, considered good	13,795.73	13,519.95
<b>Total</b>	<b>13,795.73</b>	<b>13,519.95</b>

## Trade receivables ageing schedule as at March 31, 2022

(₹ in lakhs)

Particulars	Outstanding for following periods from due date of Payment					Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	more than 3 years *	
i) Undisputed Trade receivables-Considered good	14.69	261.00	1,713.86	1,949.33	9,856.85	13,795.73
ii) Undisputed Trade receivables-Which have significant increase in credit risk	-	-	-	-	-	-
iii) Undisputed Trade receivables-credit impaired	-	-	-	-	-	-
iv) Disputed Trade receivables-considered good	-	-	-	-	-	-
v) Disputed Trade receivables-which have significant increase in credit risk	-	-	-	-	-	-
vi) Disputed Trade receivables-credit impaired	-	-	-	-	-	-
<b>Total</b>	<b>14.69</b>	<b>261.00</b>	<b>1,713.86</b>	<b>1,949.33</b>	<b>9,856.85</b>	<b>13,795.73</b>
Less: Allowance for credit impairment	-	-	-	-	-	-
<b>Total</b>	<b>14.69</b>	<b>261.00</b>	<b>1,713.86</b>	<b>1,949.33</b>	<b>9,856.85</b>	<b>13,795.73</b>

## Trade receivables ageing schedule as at March 31, 2021

(₹ in lakhs)

Particulars	Outstanding for following periods from due date of Payment					Total
	Less than 6 months	6 months -1 year	1-2 years	2-3 years	more than 3 years *	
i) Undisputed Trade receivables-Considered good	725.70	985.52	1,951.95	1,922.90	7,933.88	13,519.95
ii) Undisputed Trade receivables-Which have significant increase in credit risk	-	-	-	-	-	-
iii) Undisputed Trade receivables-credit impaired	-	-	-	-	-	-
iv) Disputed Trade receivables-considered good	-	-	-	-	-	-
v) Disputed Trade receivables-which have significant increase in credit risk	-	-	-	-	-	-
vi) Disputed Trade receivables-credit impaired	-	-	-	-	-	-
<b>Total</b>	<b>725.70</b>	<b>985.52</b>	<b>1,951.95</b>	<b>1,922.90</b>	<b>7,933.88</b>	<b>13,519.95</b>
Less: Allowance for credit impairment	-	-	-	-	-	-
<b>Total</b>	<b>725.70</b>	<b>985.52</b>	<b>1,951.95</b>	<b>1,922.90</b>	<b>7,933.88</b>	<b>13,519.95</b>

\*Amount of ₹216.00 lakhs has been received before the approval of financial statements for the year ended March 31, 2022.

## 14. CASH AND CASH EQUIVALENTS

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Balances with Banks		
In current accounts	2,564.31	4,086.65
Cash on hand	32.86	35.49
Fixed Deposit with Banks (having maturity less than 3 months)	326.79	318.00
<b>Total</b>	<b>2,923.96</b>	<b>4,440.14</b>

## 15. BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Unclaimed Dividend Account-Earmarked balances with Banks	0.81	0.81
In Deposit Accounts*	1,200.00	1,250.00
<b>Total</b>	<b>1,200.81</b>	<b>1,250.81</b>

\* Represents deposits with Original Maturity of more than 3 Months having remaining maturity of less than 12 months from the Balance Sheet Date.

## Notes to the Consolidated Financial Statements for the year ended March 31, 2022

### 16. CURRENT TAX ASSETS (NET)

(₹ in Lakhs)

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of Shares	₹ in Lakhs	No. of Shares	₹ in Lakhs
Tax deducted at source and advance tax		665.17		956.28
Less: Provision for taxation		43.97		479.43
<b>Total</b>		<b>621.20</b>		<b>476.85</b>

### 17. EQUITY SHARE CAPITAL

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of Shares	₹ in Lakhs	No. of Shares	₹ in Lakhs
<b>(a) Authorised</b>				
Equity shares of par value Rs. 10/- each	100,000,000	10,000.00	100,000,000	10,000.00
		<b>10,000.00</b>		<b>10,000.00</b>
<b>(b) Issued, subscribed and fully paid up</b>				
Equity shares of par value Rs. 10/- each fully paid up	83,950,000	8,395.00	83,950,000	8,395.00
		<b>8,395.00</b>		<b>8,395.00</b>

#### (c) Reconciliation of number and amount of equity shares outstanding:

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of Shares	₹ in Lakhs	No. of Shares	₹ in Lakhs
At the beginning of the year	83,950,000	8,395.00	83,950,000	8,395.00
Add: Issued during the year	-	-	-	-
At the end of the year	83,950,000	8,395.00	83,950,000	8,395.00

(d) Pursuant to Initial Public Offering (IPO), the Company has issued 29,300,000 equity shares of Rs. 10 each at a premium of ₹195/- per share in financial year 2017-18.

(e) During financial year 2016-17, the Company has issued 18,000,000 equity shares of ₹10 each at par on right basis and 26,650,000 equity shares of ₹10 each at a premium of INR 195/- per share on private placement basis.

The Company has neither issued bonus shares, bought back any equity shares nor has allotted any equity shares as fully paid up without payment being received in cash during five years immediately preceding current reporting period.

#### (f) The rights, preferences and restrictions attached to each class of equity shares are as under:

The Company has only one class of equity shares having a par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share. Dividend when declared is payable in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. 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.

#### (g) Shareholders holding more than 5 % of the equity shares in the Company :

Name of the Shareholders	As at March 31, 2022		As at March 31, 2021	
	No. of Shares held	% of holding	No. of Shares held	% of holding
Srei Venture Capital Trust A/c-Infrastructure Project Development Fund	7,049,800	8.40%	7,049,800	8.40%
Srei Infrastructure Finance Limited	16,630,000	19.81%	16,630,000	19.81%
Predicate Consultant Pvt. Ltd.	9,520,000	11.34%	9,520,000	11.34%
Srei Venture Capital Trust A/c-Infrastructure Project Development Capital	20,950,000	24.96%	20,950,000	24.96%
Vistar Financiers Pvt. Ltd.	6,771,776	8.07%	6,771,776	8.07%

#### (h) Shareholding of promoters

Promoter Name	As at March 31, 2022		As at March 31, 2021		% Change in the year
	No. of shares held	% of total shares	No. of shares held	% of total shares	
Srei Infrastructure Finance Limited	16,630,000	19.81%	16,630,000	19.81%	-
Manufacturing Value Addition Fund A/C Make in India	500,000	0.60%	500,000	0.60%	-
Srei Venture Capital Trust A/c-Infrastructure Project Development Capital*	20,950,000	24.96%	20,950,000	24.96%	-
Srei Venture Capital Trust A/c-Infrastructure Project Development Fund*	7,049,800	8.40%	7,049,800	8.40%	-

\*These are considered as Promoter group

## Notes to the Consolidated Financial Statements for the year ended March 31, 2022

## 18. OTHER EQUITY

Particulars	As at March 31, 2022		As at March 31, 2021	
	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs	₹ in Lakhs
<b>(a) Capital reserve</b>				
Balance as per last account	3,271.92		3,372.46	
Add: Addition/(deduction) during the year	(111.15)		(100.54)	
Closing balance		3,160.77		3,271.92
<b>(b) Securities premium reserve</b>				
Balance as per last account	106,021.04		106,021.04	
Closing Balance		106,021.04		106,021.04
<b>(c) Retained earnings</b>				
Balance as per last account	(29,053.48)		(17,661.63)	
Add: Net Profit / (loss) for the year	(37,631.73)		(11,424.15)	
Add: Other Comprehensive Income for the year	14.96		32.29	
Closing balance		(66,670.25)		(29,053.48)
<b>Total</b>		<b>42,511.56</b>		<b>80,239.48</b>

## 19. BORROWINGS

Particulars	(₹ in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
<b>(i) Non-current</b>		
<b>Carried at amortized cost</b>		
<b>Secured</b>		
<b>a) Term Loan from Banks</b>	45,650.08	52,055.87
<b>b) Term Loan from Financial Institutions</b>	68,378.89	68,258.87
<b>c) Bonds/Debentures-Unquoted</b>		
i) 5000 (PY : 5000) Non- Convertible Debentures of Face Value of ₹41,038.04/- (PY - ₹53,528.59/-) each issued to India Infradebt Limited. Interest rate 11%	1,345.20	2,051.90
ii) 50000 (PY : 50000) Non- Convertible Debentures of Face Value of ₹4,118.92/- (PY - ₹5,366.66/-) each issued to India Infradebt Limited. Interest rate 11%	1,351.44	2,059.46
<b>Total Secured</b>	<b>116,725.61</b>	<b>124,426.09</b>
<b>Unsecured</b>		
<b>a) Loan from Financial Institution</b>	17,050.63	16,853.56
<b>Total Unsecured</b>	<b>17,050.63</b>	<b>16,853.56</b>
<b>Total</b>	<b>133,776.24</b>	<b>141,279.65</b>

## 19(a) Terms of secured term loan from Bank

## I) Terms of Secured Term loan from Banks as on 31.03.2022 ₹17,181.41 lakhs (as on 31.03.2021 ₹21,192.18 lakhs) with respect to one of the subsidiary Guruvayoor Infrastructure Pvt. Ltd. (GIPL).

The Loans together with Interest, Liquidated Damages, Costs, Charges, Expenses and all other Moneys Payable are secured/ Procured by the following security Interest Except Project Assets:

1. A first charge by way of hypothecation of entire movable assets of GIPL, both present and future, including movable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles and all other movable assets, both present and future;
2. A first charge over all accounts of GIPL, including the Escrow Accounts, that may be opened in accordance with the agreement, or any of the other Project Agreements and all cash flows from the Project as and when they arise, toll collections, receivables and permitted investments or other securities;
3. A first charge on all intangibles including but not limited to goodwill and uncalled capital, present and future and a charge on the uncalled capital ;
4. A first charge on the Debt Service Reserve (DSR) and any other reserves and other bank accounts of GIPL wherever maintained;
5. Pledge of shares held by the Sponsor in dematerialized form on the equity share capital of GIPL aggregating to 51% of the total paid up equity share capital of GIPL. The shares to be pledged shall be free from any restrictive covenants/lien

## Notes to the Consolidated Financial Statements for the year ended March 31, 2022

or other encumbrance under any contract/arrangement including shareholder agreement/joint venture agreement/financing arrangement with regard to pledge/transfer of the shares including transfer upon enforcement of the pledge.

6. An unconditional irrevocable, joint and several corporate guarantee from KMC Constructions Ltd. (KMC ) and KMC Infratech Ltd.(KMCIL ) to meet shortfall between outstanding amount of the loans and termination payments received from NHAI in case of termination of the Concession agreement for any reason limited to the extent of their aggregate shareholding proportion in GIPL along with its Associates if any.
  7. An unconditional irrevocable Sponsors' Undertaking from SREI Infrastructure Finance Ltd. (SREI) to meet shortfall between outstanding amount of the loans and termination payments received from NHAI in case of termination of the Concession agreement for any reason limited to the extent of its aggregate shareholding proportion along with its Associates if any.
- The Shareholding Proportion for meeting the shortfall in termination payment as above is in terms of the financing documents executed with the Lenders.

8. GIPL shall make out a good and marketable title to it's properties to the satisfaction of Lender and comply with all such formalities as may be necessary or required for the said purpose.

Interest is payable at monthly rest, on 15th of each calender month on the Principal amount of the outstanding loan. The Loan carries interest rate of 10.65% p.a .

**Repayment Terms :** The Term Loan is repayable in unequal 44 quarterly installments ranging from 0.05% to 18% of the loan amount per year divided equally in quarterly installments comprising in relevant related year. The final repayment date of the loan is 31st March 2025.

### II) Terms of Secured Term loan from Banks as on 31.03.2022 ₹ 35,068.62 lakhs ( as on 31.03.2021 ₹ 35,131.56 lakhs ) with respect to one of the subsidiary Solapur Tollways Pvt. Ltd. (STPL).

The Loan is secured by the following :

1. Immovable Properties both present and future, save and except the Project Assets of STPL.
2. Assignment by way of security of the right, title, interests, benefits, claims and demands of STPL in, to and under the Project Documents.
3. Moveable Properties of STPL including but not limited to current and non-current assets, plant and machinery, furniture and fixtures, vehicles and all other movable assets both present and future, save and except the Project Assets.
4. All the Receivables, Bank Accounts including without limitation, the Escrow Account, the DSRA, MMRA, the Retention Account and such other bank account that may be opened in terms of the project document.
5. All Insurance Contracts/ Insurance proceeds.
6. Intangible Assets of STPL including but not limited to the Goodwill, Rights, Undertakings and un called capital present and future.
7. The Shareholder of STPL have pledged 51 % of the Equity Shares of STPL in favour of the Security Trustee for the benefit of the Lenders.

The Loan is repayable in 47 unequal quarterly Installments starting from 30th Sept 2020 ending on 31st March 2032. Currently Interest is payable monthly as per simple Interest @ 11.45 % p.a.

### 19 (b) Term Loan From Financial Institutions

#### Repayment Schedule as at March 31, 2022

(₹ in Lakhs)

Particulars	Maturity Profile				Total
	Over 5 years	3 - 5 Years	1 - 3 Years	0 - 1 Year *	
<b>Term Loan</b>					
I) Term Loan 1 (Refer Note below)	-	-	-	7,000.00	7,000.00
II) Term Loan 2	15,265.61	2,290.69	973.59	448.50	18,978.39
III) Term Loan 3	9,500.00	-	-	-	9,500.00
IV) Term Loan 4	8,906.09	-	-	-	8,906.09
v) Term Loan 5 **	4,510.28	-	-	-	4,510.28
VI) Term Loan 6	11,791.91	-	-	-	11,791.91
VII) Term Loan 7 **	5,230.14	-	-	-	5,230.14
VIII) Term Loan 8	-	-	19,651.00	-	19,651.00
IX) Term Loan 9 **	7,310.21	-	-	-	7,310.21
	<b>62,514.24</b>	<b>2,290.69</b>	<b>20,624.59</b>	<b>7,448.50</b>	<b>92,878.02</b>

## Notes to the Consolidated Financial Statements for the year ended March 31, 2022

## Repayment Schedule as at March 31, 2021

(₹ in Lakhs)

Particulars	Maturity Profile				Total
	Over 5 years	3 - 5 Years	1 - 3 Years	0 - 1 Year *	
<b>Term Loan</b>					
I) Term Loan 1 (Refer Note below)	-	-	-	7,000.00	7,000.00
II) Term Loan 2	15,198.88	2,534.70	1,077.30	121.19	18,932.08
III) Term Loan 3	9,500.00	-	-	-	9,500.00
IV) Term Loan 4	8,632.78	-	-	-	8,632.78
v) Term Loan 5 **	4,313.21	-	-	-	4,313.21
VI) Term Loan 6	11,664.21	-	-	-	11,664.21
VII) Term Loan 7 **	5,230.14	-	-	-	5,230.14
VIII) Term Loan 8	-	19,651.00	-	-	19,651.00
IX) Term Loan 9 **	7,310.21	-	-	-	7,310.21
	<b>61,849.43</b>	<b>22,185.70</b>	<b>1,077.30</b>	<b>7,121.19</b>	<b>92,233.63</b>

\* This represents current maturities disclosed under Borrowings - current Note 19 (ii).

\*\* Represents Unsecured loan

**19(b) (I) \*** The Company had received an amount of Rs.7000 lakhs from IL&FS Group - IL&FS Financial Services Ltd. (IL & FS) in the financial year 2016-17. The Company also has a receivable of Rs 11,419 lakhs (recognised at 11,250 lakhs) from IL&FS Group - IL & FS Transportation Networks Limited (ITNL), hence the Company has initiated appropriate measures for set off of this payable and recovery of the balance amount.

As per NCLAT order, these companies have been classified under IL&FS Group.

The Company, as such, has put on hold the interest and Principal payment since September 30, 2018. The Company has not provided interest from July 01, 2019 onwards, pending the settlement of dispute. An application has been filed against the Company by IL & FS before the Hon'ble National Company Law Tribunal, Kolkata claiming their dues which is yet not admitted.

**Term loan 1** is secured by way of first pari passu charge by way of hypothecation of the entire movable fixed assets (both present and future), entire current assets including but not limited to book debts, operating cash flows, receivables, loans and advances, deposits, commissions, investments, revenue of whatsoever nature and wherever arising, both present and future, long term loans and advances and non-current investments (both present and future) and demand promissory note covering the principal, interest and all other amounts. Interest is payable quarterly in arrears @ 12.75% (fixed) per annum. Charge is yet to be created.

**19(b) (II) Rupee Terms loan 2** with respect to one of the subsidiary Solapur Tollways Pvt. Ltd. (STPL).

1. Immovable Properties both present and future, save and except the Project Assets.
2. Assignment by way of security of the right, title, interests, benefits, claims and demands of STPL in, to and under the Project Documents.
3. Moveable Properties of STPL including but not limited to current and non-current assets, plant and machinery, furniture and fixtures, vehicles and all other movable assets both present and future, save and except the Project Assets.
4. All the Receivables, Bank Accounts including without limitation, the Escrow Account, the DSRA, MMRA, the Retention Account and such other bank account that may be opened in terms of the project document.
5. All Insurance Contracts/ Insurance proceeds.
6. Intangible Assets of STPL including but not limited to the Goodwill, Rights, Undertakings and un called capital present and future.
7. The Shareholder of STPL have pledged 51 % of the Equity Shares of STPL in favour of the Security Trustee for the benefit of the Lenders.

The Loan is repayable in 47 unequal quarterly Installments starting from 30th Sept 2020 ending on 31st March 2032. Currently Interest is payable monthly as per simple Interest @ 11.45 % p.a.

**19(b) (III) Rupee Term Loan 3** : Primarily Unsecured : with respect to one of the subsidiary Solapur Tollways Pvt. Ltd. (STPL).

Other Wise Secured by

- (1) Subservient Charge on all assets, both present & future;
- (2) Cash flows charged are the cash flows transferred to the Company (Parent) by STPL in form of dividend and cash up-streaming by Borrower to Company (Parent);" and



## Notes to the Consolidated Financial Statements for the year ended March 31, 2022

- (3) Corporate Gurantee of the Company (Parent).
- (4) Rate of Interest Fixed @ 2% p.a ., Payable quarterly in arrears with yield on exit @15%.Maximum Rebate @5% p.a. on satisfactory credit record.
- (5) The Loan repayable in 6 Half Yearly installments , commencing after 10 years from the date of first disbursement.

**19(b) (IV) Rupee Term Loan 4 :** Primarily Unsecured : with respect to one of the subsidiary Solapur Tollways Pvt. Ltd. (STPL).

Other Wise Secured by

- (1) Exclusive charge on all the investments (Except investment in form of shares) including but not limited to OCDs, share warrants done by Company (Parent) in STPL. (if any)
- (2) Cash flows charged are the cash flows transferred to the Company (Parent) by STPL in form of dividend and cash up-streaming by STPL to Company (Parent).
- (3) Corporate Gurantee of the Company (Parent).
- (4) Charge on DSRA created.
- (5) Rate of Interest Fixed @ 1% p.a ., Payable quarterly in arrears with yield on exit @15%.Maximum Rebate @5% p.a. on satisfactory credit record.(6) The Loan is repayable in 6 Half Yearly instalments , commencing after 10 years from the date of first disbursement .

**19(b) (V) Rupee Term Loan 5:** Primarily Unsecured : with respect to one of the subsidiary Guruvayoor Infrastructure Pvt. Ltd. (GIPL).

Other Wise Secured by

- (1) First pari passu charge on the pledge of the entire fully paid up unencumbered equity shares of the GIPL in demat form, not less than 49% of total equity share capital of GIPL .
- (2). Second charge on the pledge of encumbered equity shares not less than 24.98 % of fully paid up equity share capital of GIPL.
- (3). Exclusive charge on all the investments (Except investment in form of shares) including but not limited to OCDs, share warrants done by the Company (Parent).
- (4). Corporate Guarantee of the Company (Parent).
- (5) First Charge on Surplus Cash flow and receivable to be made available to the Company (Parent) by GIPL.
  - II. **Rate of Interest :** Fixed rate @ 1%,p.a ., Payable quaterly in arrears with yield on exit @15%.Maximum Rebate @5% on satisfactory credit record.
  - III. **Repayment Terms :** 6 Half Yearly instalments , commencing after 10 years from the date of First Disbursement

**19(b) (VI) Rupee Term Loan 6:** Primarily Unsecured : with respect to one of the subsidiary Solapur Tollways Pvt. Ltd. (STPL).

Other Wise Secured by :

- (1) Subservient Charge on all assets ,both presnt & future ;
- (2) Cash flows charged are the cash flows transferred to Company (Parent) by Solapur Tollways Pvt. Ltd. ("STPL") in form of dividend and cash up-streaming by STPL to BRNL."
- (3) Charge on DSRA created.
- (4) Rate of Interest Fixed @ 1% p.a ., Payable quarterly in arrears with yield on exit @15%.Maximum Rebate @5% p.a. on satisfactory credit record.
- (5) The Loan repayable in 6 Half Yearly installments , commencing after 10 years from the date of first disbursement.

**19(b) (VII) Rupee Term Loan 7:** Primarily Unsecured : with respect to one of the subsidiary Guruvayoor Infrastructure Pvt. Ltd. (GIPL).

Other Wise Secured by :

- (1) Subservient Charge on all assets ,both present & future.
- (2) Charge on cash flow after repayment of existing lenders, incurring operational expenses & statutory payments; and
- (3) Pledge of unencumbered equity shares of the borrower.
- (4) Rate of Interest Fixed @ 2% p.a ., Payable quarterly in arrears with yield on exit @15%. Maximum Rebate @5% p.a. on satisfactory credit record.
- (5) The Loan repayable in 6 Half Yearly installments, commencing after 10 years from the date of first disbursement.

## Notes to the Consolidated Financial Statements for the year ended March 31, 2022

**19(b) (VIII) Rupee Term loan 8:** is secured by way of first pari passu charge by way of hypothecation of the entire moveable fixed assets, immovable assets of the company(both present and future),entire current assets including but not limited to book debts, operating cash flows, receivables, loans and advances, deposits, commissions, investments, revenue of whatsoever nature and wherever arising, entire long term loans and advances and non-current investments (both present and future),pledge of all unencumbered equity shares to the extent permitted by relevant government bodies and authorities under applicable laws and as permitted by existing lenders of respective investee companies wherever applicable and exclusive charge by way of hypothecation of the DSRA (if any). Interest to be compounded quarterly @ 12% (fixed) and payable at the end of loan tenor i.e. 5 years from the date of initial disbursement.

**19(b) (IX) Term Loan 9 :** Terms of Unsecured Loan from Financial Institution as on 31.03.2022 ₹ 7310.21 lakhs (as on 31.03.2021 ₹7310.21 lakhs) with respect to one of the subsidiary Guruvayoor Infrastructure Pvt. Ltd. (GIPL).

- (1) The Unsecured Loan carries fixed interest of 12% p.a. However, interest along with cumulative deficit, if any, shall only accrue and be payable in the year GIPL has sufficient Surplus Cash Flow.
- (2) Variable interest will be such amount over and above the fixed interest to make the yield on the Unsecured Loan @ 16%. Total Interest means Fixed Interest + Variable Interest.
- (3) The total interest shall only accrue and will be payable when GIPL has Surplus Cashflows.
- (4) Final Rate of or amount of interest payable for the year shall be decided every year at the end of the Financial Year (not later than 30 days from the closure of the financial year) based on the Surplus Cash flows of the issuer subject to maximum of 16% cumulative interest.
- (5) Surplus Cash flows means Cash flow after making all the provisions/appropriations as per the Concession Agreement and Financing Documents to be ascertained on year to year basis.
- (6) Financing Documents means documents executed in respect of term Loan availed from the Senior Lender M/s IDFC Bank Limited ( Previously IDFC Limited ) and India Infradebt Limited
- (7) Tenure of Unsecured Loan will be 10 years( Extendable for a further period of 5 years) at the option SREI Equipment Finance Ltd (SEFL) from the date of Allotment.
- (8) Unsecured Loan will be repaid at the end of 10 years from the date of allotment or at the end of extended period as the case may be or anytime during the tenure with mutual consent.

### **19 (c) Terms of issue of Secured Non Convertible Debentures (NCD):**

#### **Interest:**

1. Interest is payable at monthly rest, on the last day of each calendar month on the Principal amount of the outstanding NCDs. The NCDs carries interest at a fixed interest rate of 11% p.a which shall fall due for reset after expiry of four years from its deemed date of allotment.
2. The rate of Interest shall include applicable interest tax or other statutory levy, if any on the principal amount of the debenture remaining outstanding each day.

#### **Tenure, Conversion, Repayment and Redemption:**

NCDs have been issued in Two Tranches. The Final Maturity date of NCDs shall not exceed 31st March 2025. The redemption of NCD shall take place in accordance with the Redemption Schedule annexed to the Subscription Agreement dated 27th June 2014 for the first Tranche and 06th August 2014 for the second tranche. The redemptions of the NCDs issued under both the tranches shall be in 43 structured quarterly installments with the redemption commencing from September 30, 2014 and final redemption taking scheduled on March 31, 2025.

#### **Security details:**

The Loans together with interest, Litigated damages, costs, charges, expenses and all other moneys whatsoever payable by the respective borrower SPVs are secured/procured by the following security interest, except project assets to be created in favour of the lenders or the security trustee, to be appointed for the benefit of Lenders in a form and manner satisfactory to the lenders:-

1. A first charge by way of hypothecation of entire moveable assets of the respective borrower SPVs, both present and future, including movable plant and machinery, machinery spares , tools and accessories, furniture, fixtures, vehicles and all other movable assets both present and future.
2. A first charge over all accounts of the respective borrower SPVs including the Escrow account that may be opened in accordance with this agreements or any of the other project agreements and all cash flows from the project as and when they arise, toll collections, receivables and permitted investments or other securities.

## Notes to the Consolidated Financial Statements for the year ended March 31, 2022

3. A first charge on all intangibles including but not limited to goodwill and uncalled capital, present and future and a charge on the uncalled capital.
4. A first Charge on the Debt Service Reserve ( DSR ) and any other reserves and other bank accounts of the respective borrower SPVs wherever maintained.
5. Pledge of shares held by the sponsor in dematerialised form on the equity share capital of the respective borrower SPVs aggregating to 51% of the total paid up equity share capital of the respective borrower SPVs. The shares to be pledged shall be free from any restrictive covenants/ lien or other encumbrance under any contract/ arrangements including share holder agreement/ joint venture agreement/ financing arrangement with regard to pledge/ transfer of the shares including transfer upon enforcement of the pledge.
6. An unconditional irrevocable, joint and several corporate guarantee from KMC and KMCIL to meet shortfall between outstanding amount of the loans and termination payments received from NHAI in case of termination of the Concession agreement for any reason limited to the extent of their aggregate shareholding proportion in the respective borrower SPVs along with its Associates if any.
7. An unconditional irrevocable Sponsors' Undertaking from SREI to meet shortfall between outstanding amount of the loans and termination payments received from NHAI in case of termination of the Concession agreement for any reason limited to the extent of its aggregate shareholding proportion along with its Associates if any. The Shareholding Proportion for meeting the shortfall in termination payment as above is KMC, KMCIL and their Associates and SREI and its Associates in terms of the financing documents executed with the Lenders. The respective borrower SPVs shall make out a good and marketable title to it's properties to the satisfaction of lenders and comply with all such formalities as may be necessary or required for the said purpose. In addition , notwithstanding anything contained herein and in the financing agreements for the Existing Facility, the terms of Tripartite Agreement shall be applicable to all the parties , including the Existing lenders, the respective borrower SPVs and various lenders' agents ( Viz., escrow agent, security trustee/ debenture trustee, as may be applicable)

### 19(ii) Borrowings - Current

Particulars	(₹ in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
<b>Carried at amortized cost</b>		
<b>Unsecured:</b>		
Current maturities of long term borrowings		
i) Term Loan from Banks (Refer Note 19(a) I & II)	6,599.95	4,267.87
ii) Term Loan from Financial Institutions (Refer Note 19(b) I & II)	7,448.50	7,121.19
iii) 5000 (P.Y 5000) Non-Convertible Debentures of Face Value of ₹14,134.05/- (PY - ₹12,490.55/-) each issued to India Infradebt Limited. Interest rate 11% (Refer Note 19(c))	706.70	624.53
iv) 50000 (P.Y 50000) Non-Convertible Debentures of Face Value of ₹1,416.03/- (PY - ₹1,247.74/-) each issued to India Infradebt Limited. Interest rate 11% (Refer Note 19(c))	708.02	623.87
<b>Total</b>	<b>15,463.17</b>	<b>12,637.46</b>

## Notes to the Consolidated Financial Statements for the year ended March 31, 2022

## 20. OTHER FINANCIAL LIABILITIES

## (i) Non current

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Borrowing Cost (FV)	16,160.21	10,718.84
Retention money payable	1,580.67	1,580.67
Interest Accrued but not due on borrowings	4,878.55	2,163.26
<b>Total</b>	<b>22,619.43</b>	<b>14,462.77</b>

## (ii) Current

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Negative grant <sup>^</sup>	20,000.00	20,000.00
Interest accrued but not due on Borrowings	101.04	169.14
Interest accrued but not due on NCD	1.24	1.70
Interest accrued and due on Borrowings	4,267.17	3,055.97
Other Payables	18.41	18.41
Creditors for capital expenses	575.67	686.09
Retention money payable	1,801.45	1,418.12
Liability for expenses	5,746.04	779.70
Salaries and other payroll dues	65.95	56.34
Payable to related parties	203.55	203.57
Security Deposit	51.91	51.91
Other Liabilities	652.06	777.95
Book Overdraft	-	-
Payable to SREI Infrastructure Finance Ltd. *	12,968.13	12,968.13
Unclaimed Dividend **	0.81	0.81
<b>Total</b>	<b>46,453.43</b>	<b>40,187.84</b>

\* One of the Subsidiary (Orissa Steel Expressway Pvt Ltd.) has assigned its rights pertaining to Claim receivables from NHAI in favour of SREI Infrastructure Finance Limited "SIFL" (Lender) to the extent of ₹12,968 lakhs (loan of ₹12,200 lakhs plus Interest dues 768 lakhs), which shall be utilized by SIFL to settle its outstanding dues.

\*\* There are no amounts due and outstanding to be credited to Investor Education & Protection Fund.

<sup>^</sup> The Scheduled Project Completion Date (SPCD) of one of the Subsidiary company, Guruvayoor Infrastructure Pvt Ltd.(GIPL) vide Supplementary Agreement dated 23.11.2009 was extended from 21.03.2009 to 21.12.2010 (i.e. for 21 months) and subsequently Concession period was also correspondingly extended from (22.09.2006 - 21.09.2026) to (22.09.2006 - 21.06.2028) i.e. also upto 21 months. Further GIPL requested NHAI for deferment of 2nd & subsequent installments of Negative Grant payable to NHAI. NHAI approved Deferment of Negative Grant subject to payment of Interest on deferred amount @ Bank Rate + 2% and signing of Supplementary Agreement for having no claim on account of deferment. GIPL has not accepted conditional deferment proposal of NHAI and protested against levy of interest and related supplementary agreement. The matter is still under consideration of NHAI. In the absence of agreement with NHAI, Liability for Negative Grant has been accounted for as current liability excluding Interest thereon as NHAI Project Director and Regional Office, NHAI (Chennai) has recommended for deferment of negative grant without levy of any interest to their Headquarters.

## 21. PROVISIONS

## (i) Non-current

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Provision for employee benefits (Refer Note No. 34.1)		
- Gratuity	140.69	117.49
- Leave encashment	39.32	40.02
- Sick leave availment	5.98	4.22
Provision for Major Maintenance	4720.77	6,011.32
<b>Total</b>	<b>4,906.76</b>	<b>6,173.05</b>

## (ii) Current

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Provision for employee benefits (Refer Note No. 34.1)		
- Gratuity	4.56	2.31
- Leave encashment	8.47	3.46
- Sick leave availment	1.70	1.31
- Other benefits	0.00	1.25
<b>Total</b>	<b>14.73</b>	<b>8.33</b>

## Notes to the Consolidated Financial Statements for the year ended March 31, 2022

## 22. DEFERRED TAX ASSETS/(LIABILITIES) Net

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Deferred Tax Assets	2,294.05	707.94
Deferred Tax Liabilities	(339.49)	(650.18)
<b>Deferred Tax Assets/(Liabilities) net</b>	<b>1,954.57</b>	<b>57.77</b>

## 2021-22

(₹ in Lakhs)

Movement in deferred tax liabilities/assets balances	Opening Balance	Recognized in profit or loss	Recognized in other comprehensive income	Closing Balance
<b>Tax effect of items constituting deferred tax Assets</b>				
Carry forward losses and Un-absorbed depreciation	57.00	896.00	0.00	953.00
Disallowance u/s 43B/40(a)(ia)	643.75	690.29	0.00	1334.04
Provision for Gratuity and Leave encashment	7.19	(2.74)	2.56	7.01
<b>Total deferred Tax Assets</b>	<b>707.94</b>	<b>1,583.55</b>	<b>2.56</b>	<b>2,294.05</b>
<b>Tax effect of items constituting deferred tax liabilities</b>				
Depreciation and Amortisation	(0.36)	(0.40)	-	(0.76)
Fair valuation gain/(loss) on Investments	626.90	(310.29)	-	316.61
Expenses capitalized but allowed under taxation	23.64	-	-	23.64
<b>Total deferred Tax Liabilities</b>	<b>650.18</b>	<b>(310.69)</b>	<b>-</b>	<b>339.49</b>
<b>Net deferred tax assets/ (liabilities) net</b>	<b>57.77</b>	<b>1,894.24</b>	<b>2.56</b>	<b>1,954.57</b>

## 2020-21

(₹ in Lakhs)

Movement in deferred tax liabilities/assets balances	Opening Balance	Recognized in profit or loss	Recognized in other comprehensive income	Closing Balance
<b>Tax effect of items constituting deferred tax Assets</b>				
MAT Credit entitlement	494.45	(494.45)	-	-
Carry forward losses and Un-absorbed depreciation	458	(401.00)	-	57.00
Disallowance u/s 43B	103.67	540.08	-	643.75
Provision for Gratuity and Leave encashment	9.05	0.06	(1.92)	7.19
<b>Total deferred Tax Assets</b>	<b>1065.17</b>	<b>(355.31)</b>	<b>(1.92)</b>	<b>707.94</b>
<b>Tax effect of items constituting deferred tax liabilities</b>				
Depreciation and Amortisation	(0.34)	(0.02)	-	(0.36)
Fair valuation gain/(loss) on Investments	1,580.48	(953.58)	-	626.90
Expenses capitalized but allowed under taxation	23.64	-	-	23.64
<b>Total deferred Tax Liabilities</b>	<b>1,603.78</b>	<b>(953.60)</b>	<b>-</b>	<b>650.18</b>
<b>Net deferred tax assets/ (liabilities) net</b>	<b>(538.60)</b>	<b>598.29</b>	<b>(1.92)</b>	<b>57.77</b>

22.1 During the year 2020-21, the Company has exercised the option of lower Tax Rate of 25.17% (inclusive of surcharges & Cess) permitted under section 115BAA of the Income Tax Act, 1961 as introduced by the Taxation Laws (Amendment) Act, 2019 with effect from financial year 2019-20. Consequently, current tax expense for the year ended March 31, 2021 include a reversal of ₹58.99 lakhs. Deferred Tax expense for the year ended March 31, 2021 include a charge of ₹357.30 lakhs including MAT credit entitlement reversal.

## 23. TRADE PAYABLES

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
A. Total outstanding dues of micro enterprises and small enterprises *	139.47	-
B. Total outstanding dues of creditors other than micro enterprises and small enterprises	361.22	134.62
<b>Total</b>	<b>500.69</b>	<b>134.62</b>

## Notes to the Consolidated Financial Statements for the year ended March 31, 2022

### Trade payables ageing schedule as at March 31, 2022

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed dues-MSME	139.47	-	-	-	139.47
Undisputed dues-Others	352.74	1.28	5.35	1.85	361.22
Disputed dues-MSME	-	-	-	-	-
Disputed dues-Others	-	-	-	-	-
<b>Total</b>	<b>492.21</b>	<b>1.28</b>	<b>5.35</b>	<b>1.85</b>	<b>500.69</b>

### Trade payables ageing schedule as at March 31, 2021

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed dues-MSME	-	-	-	-	-
Undisputed dues-Others	127.41	5.35	0.48	1.38	134.62
Disputed dues-MSME	-	-	-	-	-
Disputed dues-Others	-	-	-	-	-
<b>Total</b>	<b>127.41</b>	<b>5.35</b>	<b>0.48</b>	<b>1.38</b>	<b>134.62</b>

### DUES TO MICRO AND SMALL ENTERPRISES

\* Amount due to micro and small enterprises as defined in the "The Micro, Small and Medium Enterprises Development Act, 2006" has been determined to the extent such parties have been identified on the basis of information available with the company. The disclosures relating to micro and small enterprises is as below:-

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Principal Amount due to Suppliers registered under the MSMED Act and remaining unpaid as at year end	139.47	-
Interest due to Suppliers registered under the MSMED Act and remaining unpaid as at year end	-	-
Principal Amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest paid, under section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest due and payable towards supplier registered under MSMED Act, for payments already made	-	-
Further Interest remaining due and payable for earlier years	-	-

### 24. OTHER CURRENT LIABILITIES

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Advance from Customers	24.20	42.79
Advance Insurance Claim	-	100.00
Statutory dues payable	690.84	111.99
<b>Total</b>	<b>715.04</b>	<b>254.78</b>

### 25 REVENUE FROM OPERATIONS

(₹ in Lakhs)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
<b>Sale of services: (refer Note 34.9)</b>		
Consultancy Fees	-	30.00
Construction Services	2,583.63	3,213.76
Toll Operations	18,489.17	15,997.00
Free Passes - Government of Kerala	261.10	1,711.23
Claim from KSRTC	305.75	-
<b>Total</b>	<b>21,639.65</b>	<b>20,951.99</b>

## Notes to the Consolidated Financial Statements for the year ended March 31, 2022

**26 OTHER INCOME**

(₹ in Lakhs)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Interest Income (refer Note 26.1)	180.24	623.82
Interest on Income Tax refund	7.33	-
Gain from Mutual fund	194.11	400.85
Liability no longer required written back	3.58	5.29
Miscellaneous Income	647.61	2,513.84
<b>Total</b>	<b>1,032.88</b>	<b>3,543.80</b>

**26.1**

(₹ in Lakhs)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Interest income on assets carried at amortized cost		
- Interest on Loan	-	389.88
- Interest on Fixed Deposit with Bank	133.07	153.42
- Interest income on Bond	38.23	2.96
- Other Interest	8.94	77.56
<b>Total</b>	<b>180.24</b>	<b>623.82</b>

**27 EMPLOYEE BENEFIT EXPENSES**

(₹ in Lakhs)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Salaries & Allowances	1,233.80	1,183.76
Contribution to Provident and Other Funds	94.39	88.58
Staff Welfare Expenses	54.98	79.85
<b>Total</b>	<b>1,383.17</b>	<b>1,352.19</b>

**28 FINANCE COSTS**

(₹ in Lakhs)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Interest	18,413.88	17,241.72
Less: Capitalised to Intangible assets under development/Claims from NHAI	(479.47)	(738.59)
	<b>17,934.41</b>	<b>16,503.13</b>
Other borrowings costs	279.80	211.94
<b>Total</b>	<b>18,214.21</b>	<b>16,715.07</b>

**29 DEPRECIATION AND AMORTISATION EXPENSES**

(₹ in Lakhs)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Depreciation on property, plant and equipments(Refer Note 4)	29.09	27.88
Amortisation on Other intangible assets (Refer Note 6)	4,260.70	3,920.27
<b>Total</b>	<b>4,289.79</b>	<b>3,948.15</b>



## Notes to the Consolidated Financial Statements for the year ended March 31, 2022

## 30 OTHER EXPENSES

(₹ in Lakhs)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Legal & Professional Fees	481.01	515.25
Travelling and Conveyance	56.76	42.67
Rent (Refer Note 34.11)	61.14	88.85
Repairs & Maintenance- Building	21.09	10.98
Repairs & Maintenance- Machinery	4.49	2.80
Repairs & Maintenance- Others	142.43	96.83
Membership & Subscription	10.76	8.50
Rates & Taxes	2.73	10.42
Bad Debts	–	0.13
Advertisement & Publicity	8.01	11.22
Contract Work Expenses	–	441.35
Insurance Premium	231.53	175.20
Payment to Auditor :		
– Fees for Statutory Audit & Limited Reviews	32.02	29.54
– Other Services (Certification etc)	6.43	3.50
– Reimbursement of expenses	–	1.90
Director's Sitting Fees	15.35	23.15
Printing & Stationery	2.33	1.37
Bank charges	3.54	–
Vehicle hire and maintenance expenses	163.56	135.01
Communication costs	6.58	5.48
Corporate Social Responsibility Expenses (Refer Note No. 34.12)	8.00	7.00
Office Expenses	28.87	31.60
Power and Fuel	248.90	244.97
Provision for Major Maintenance Expenses	–	4,593.60
Route Operations and Maintenance Costs	270.76	307.64
Tolling Agency fees & Collection Expenses	427.67	560.54
General Administrative and Misc expenses	284.05	96.55
Advance Written off	–	1,555.07
Utility Shifting Charges	–	35.32
Net loss/(gain) on Fair valuation of Investments (Refer Note No. 30.1)	1,232.85	2,936.62
Sundry Balance Written Off	–	3.43
<b>Total</b>	<b>3,750.86</b>	<b>11,976.49</b>

## 30.1

(₹ in Lakhs)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
(Gain)/Loss on assets carried of FVTPL		
– Loss on Fair Value of Investment	2,454.92	4,738.67
– (Gain) on Fair Value of Investment	(1,222.07)	(1,802.05)
<b>Total</b>	<b>1,232.85</b>	<b>2,936.42</b>

## 31 EXCEPTIONAL ITEMS

(₹ in Lakhs)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Fair Value loss on Non current loans	5,428.95	–
Write down of current loans	3,308.11	–
Other cost	5,580.99	–
<b>Total</b>	<b>14,318.05</b>	<b>–</b>

Exceptional items are those which are considered for separate disclosure in the Financial Statements, considering their size, nature or incidence. Such items included within the statement of Profit & Loss are detailed above (Refer note 8A, 9(i) & 9(ii))

## Notes to the Consolidated Financial Statements for the year ended March 31, 2022

### 32 TAX EXPENSE

#### (i) Amount recognized in profit or loss

(₹ in Lakhs)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
<b>Current Tax</b>		
- Income Tax for the year	-	(58.99)
- Adjustment related to previous year	(0.01)	25.88
<b>Total Current Tax</b>	<b>(0.01)</b>	<b>(33.11)</b>
<b>Deferred tax</b>		
- Deferred tax for the year	(1,894.24)	(1,092.75)
- Adjustment related to previous year	-	494.45
<b>Total Deferred Tax</b>	<b>(1,894.24)</b>	<b>(598.30)</b>
<b>Total</b>	<b>(1,894.25)</b>	<b>(631.41)</b>

#### ii) Amount recognized in Other comprehensive income

(₹ in Lakhs)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
On items that will not be reclassified to Profit or loss		
- Deferred Tax on remeasurements of defined benefit plans	2.56	(1.93)
<b>Total deferred tax relating to OCI items</b>	<b>2.56</b>	<b>(1.93)</b>

#### iii) Reconciliation of tax expense and accounting profit

(₹ in Lakhs)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
<b>Reconciliation of Tax Expense</b>		
Profit/Loss before tax	(40,761.04)	(12,513.14)
Applicable tax rate	25.17%	25.17%
Income tax expense/(benefit) calculated @ 25.168%	(10,258.74)	(3,149.56)
Net Effect of expenses not allowable as deduction		
- Interest on late payment of TDS	0.91	0.05
- CSR	1.69	1.76
- Interest on MSME dues	-	0.06
- Share of loss in associate	3,456.37	19.13
- Net effect of Change in Tax Rate (refer note 22.1)	-	298.31
- Exceptional items	3,603.57	-
- Other differences	1,301.96	2,198.83
<b>Total</b>	<b>(1,894.25)</b>	<b>(631.41)</b>

iv) Refer note 22.1

### 33 OTHER COMPREHENSIVE INCOME

(₹ in Lakhs)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
Items that will not be reclassified to profit or loss		
i) Remeasurements of the defined benefit plans	7.71	23.83
ii) Share of Other Comprehensive Income in Associates	8.28	15.21
<b>Total</b>	<b>15.99</b>	<b>39.04</b>

## Notes to the Consolidated Financial Statements for the year ended March 31, 2022

## 34 OTHER DISCLOSURES

## 34.1 Defined Benefit Plans/Long Term Compensated Absences :

**Defined Contribution Plans:**

The Group provides Provident Fund benefit to all employees. Under this scheme fixed contribution is made to the Regional Provident Fund Commissioner. The Group has no legal and constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay employee benefits.

**Defined Benefit Plans:**

The Employees' Gratuity scheme, Leave benefit scheme, and Sick Leave availment scheme are the Group's defined benefit plans. The present value of defined obligation and related current cost are measured using the Projected Unit Credit Method with actuarial valuation being carried out at Balance Sheet date.

The following tables set out the details of amount recognized in the financial statements in respect of gratuity and leave benefits which is not funded:

Particulars	Gratuity (Unfunded)		Privilege Leave Benefit (Unfunded)	
	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2022	Year ended March 31, 2021
(₹ in Lakhs)				
<b>Defined benefit plans (As per actuarial valuation)</b>				
<b>I Change in Defined Benefit Obligations (DBO)</b>				
Present Value of DBO at beginning of the year	119.80	103.71	43.48	20.51
Adjustment on acquisition	-	-	-	-
Current Service Cost	36.21	30.36	23.07	10.79
Interest cost	7.81	6.88	1.90	2.35
Curtailement cost / (credit)	-	-	-	-
Settlement cost / (credit)	-	-	-	-
Past service Cost -Plan amendments	-	-	-	17.70
Acquisitions	-	-	-	-
Actuarial Losses / (Gains) - experience	1.86	15.85	5.92	(1.07)
Actuarial Losses / (Gains) - demographic assumptions	-	-	-	-
Actuarial Losses / (Gains) - financial assumptions	(8.84)	(1.71)	(1.34)	(0.15)
Benefits Paid	(11.59)	(3.59)	(25.26)	(6.65)
Employee contribution	-	-	-	-
Other Adjustments	-	-	-	-
<b>Present Value of DBO</b>	<b>145.25</b>	<b>119.80</b>	<b>47.79</b>	<b>43.48</b>
<b>II Net assets / (liability) recognised in Balance Sheet</b>				
Present value of Defined Benefit Obligation	145.25	119.80	47.79	43.48
Fair value of plan assets	-	-	-	-
Funded status [Surplus/(Deficit)]	(145.25)	(119.80)	(47.79)	(43.48)
Unrecognized past service cost	-	-	-	-
Net asset/ (liability) recognised in Balance Sheet	(145.25)	(119.80)	(47.79)	(43.48)
<b>Current Asset / (Liability)</b>	<b>(4.56)</b>	<b>(2.31)</b>	<b>(8.47)</b>	<b>(3.46)</b>
<b>Non Current Asset / (Liability)</b>	<b>(140.69)</b>	<b>(117.49)</b>	<b>(39.32)</b>	<b>(40.02)</b>

## Notes to the Consolidated Financial Statements for the year ended March 31, 2022

(₹ in Lakhs)

Particulars	Gratuity (Unfunded)		Privilege Leave Benefit (Unfunded)	
	Year ended March 31, 2022	Year ended March 31, 2021	Year ended March 31, 2022	Year ended March 31, 2021
<b>Defined benefit plans (As per actuarial valuation)</b>				
<b>III Components of Employer Expenses</b>				
Current Service cost	36.21	30.36	23.07	10.79
Past service Cost- Plan amendments	-	-	-	17.70
Curtailment cost / (credit)	-	-	-	-
Settlement cost / (credit)	-	-	-	-
Interest cost	7.81	6.88	1.90	2.35
Actuarial Losses / (Gains)	-	-	4.58	(1.22)
<b>Total expenses recognised in the Statement of Profit and Loss</b>	<b>44.02</b>	<b>37.24</b>	<b>29.55</b>	<b>29.62</b>
<b>Re-measurements recognised in Other Comprehensive Income</b>				
Actuarial Losses / (Gains) - experience	1.86	(15.85)	(5.92)	(6.12)
Actuarial Losses / (Gains) - demographic assumptions	-	-	-	-
Actuarial Losses / (Gains) - financial assumptions	8.84	(1.71)	2.93	(0.15)
<b>Total Re-measurements recognised in Other Comprehensive Income</b>	<b>10.70</b>	<b>(17.56)</b>	<b>(2.99)</b>	<b>(6.27)</b>
<b>Total expenses recognised in the Statement of Profit &amp; Loss and Other Comprehensive income</b>	<b>54.72</b>	<b>19.68</b>	<b>26.56</b>	<b>23.35</b>
<b>IV Actuarial Assumptions</b>				
Discount Rate	7%-7.32%	6.7%-6.9%	7%-7.32%	6.7%-6.9%
Expected return on plan assets	NA	NA	NA	NA
Salary Escalation	5%/10%	5%/10%	5%/10%	5%/10%
Mortality	Indian Assured Lives (2006-08)	Indian Assured Lives (2006-08)	Indian Assured Lives (2006-08)	Indian Assured Lives (2006-08)
Retirement/ Superannuation Age	Employees: 60 yrs Directors : 65 yrs.	Employees: 60 yrs Directors : 65 yrs.	Employees: 60 yrs Directors : 65 yrs.	Employees: 60 yrs Directors : 65 yrs.
<b>V Accrued Benefit Obligation at year end</b>	<b>23.17</b>	<b>17.64</b>	<b>15.34</b>	<b>14.47</b>

(₹ in Lakhs)

Particulars	Year Ended March 31, 2022		Year Ended March 31, 2021	
	Gratuity	Leave	Gratuity	Leave
<b>VI Sensitivity Analysis</b>				
Discount Rate + 100 basis points	(102.59)	(10.02)	(86.29)	(27.81)
Discount Rate - 100 basis points	138.68	11.42	119.02	31.86
Salary Increase Rate +1%	135.25	11.83	117.86	32.02
Salary Increase Rate -1%	(104.97)	(10.56)	(86.78)	(27.97)

**Method used for sensitivity analysis:** The Sensitivity results above determine their individual impact on the Plan's end of year Defined Benefit Obligation. In reality, the Plan is subject to multiple external experience items which may move the Defined Benefit Obligation in similar or opposite directions, while the plan's sensitivity to such changes can vary over time.

(₹ in Lakhs)

Particulars	Sick Leave Benefit	
	Year ended March 31, 2022	Year Ended March 31, 2021
<b>Assets/ Liabilities</b>		
1 Defined Benefit Obligation	7.68	5.61
2 Fair Value of Plan Assets	-	-
3 Current Asset / (Liability)	(1.70)	(1.31)
4 Non Current Asset / (Liability)	(5.98)	(4.31)
<b>Actuarial Assumptions</b>		
1 Discount Rate	7.00%	6.70%
2 Expected return on plan assets	NA	NA
3 Salary Escalation	5.00%	5.00%
4 Mortality	Indian Assured Lives (2006-08)	Indian Assured Lives (2006-08)
5 Retirement/ Superannuation Age	Employees: 60 yrs Director : 65 yrs	Employees: 60 yrs Director : 65 yrs

**Other disclosures :****Basis of estimates of Rate of escalation in salary :**

- The estimates of rate of escalation in salary, considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.
- The Gratuity and Leave Encashment have been recognised under "Salaries and allowances" under Note No.27. The remeasurement of the net defined benefit liability are included in Other Comprehensive Income.
- The expected contribution for defined benefit plan for the next financial year is not available and hence not disclosed.

**34.2 Earnings per Share:**

(₹ in Lakhs)

Particulars	Year ended March 31, 2022	Year Ended March 31, 2021
a) Profit/(Loss) after Tax (Rs. in lakhs)	(38,866.79)	(11,881.72)
b) Weighted average number of Ordinary Equity Shares outstanding used as the denominator for computing Basic Earnings per Share (Nos.)	83,950,000	83,950,000
c) Weighted average number of Potential Equity Shares (Nos.)	-	-
d) Weighted average number of Equity Shares outstanding used as the denominator for computing Diluted Earnings per Share (Nos.)	83,950,000	83,950,000
e) Nominal value of Equity Share per share (Rs.)	10.00	10.00
f) Basic Earnings per Share (Rs.) (a/b)	(46.30)	(14.15)
g) Diluted Earnings per Share (Rs.) (a/d)	(46.30)	(14.15)

**34.3 Segment Reporting**

The Group is primarily engaged in a single business segment of own, build, develop, design, operate, transfer road and related services. All the activities of the Group revolve around the main business. As such there are no separate reportable segments as per requirements of Indian Accounting Standard (Ind AS- 108) on operating segment. Further, the Group operates only in India, hence additional information under geographical segments is also not applicable.

- The Company is presently engaged in the business of designing, building, operating, maintaining and carrying out all other activities pertaining to road projects. As per the guidelines of respective Government Authority and the requirements of the Concession Agreements, such road projects are required to be implemented under the Built, Operate & Transfer (BOT) model by creating Special Purpose Vehicles (SPVs) so that after the concession period, the SPV can be transferred to the respective authority on an "as is where is basis". The Company has, therefore, invested in various road projects under the aforesaid SPV model.

These investments have been made on a long term basis with an objective to earn returns and capital appreciation after the commencement of commercial operations of the respective Projects. The Company has treated these investments in SPVs as "Qualifying Asset". As per Indian Accounting Standard (Ind AS) 23 on 'Borrowings Costs' and in accordance with the accounting concept of 'Matching costs and revenues', the Company has capitalised borrowing cost incurred on funds borrowed exclusively for investments in the SPVs as part of the cost of investments.

Accordingly, as at March 31, 2022 total borrowing cost capitalized to Non current Investment amounts to ₹16,078.86 Lakhs including ₹ NIL for the year ended March 31, 2022 (NIL for year ended March 31, 2021).

## Notes to the Consolidated Financial Statements for the year ended March 31, 2022

**34.5 Contingent liabilities**

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Claims against the Group not acknowledged as debt</b>		
- Income Tax	94.33	94.33
- National Highway Authority of India Claims	23,476.45	21,076.73
- Others	40.20	40.20

**34.6 Capital Commitments**

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Estimated amount of contracts remaining to be executed on Capital Account	8,457.09	9,205.45

**34.7** In case of subsidiary company, Orissa Steel Expressway Private Limited (OSEPL), the project was foreclosed and handed over to National Highway Authority of India (NHAI) due to non providing of encumbrance free land, forest clearance issues etc. by NHAI. Consequently, OSEPL invoked Arbitration on October 16,2017 and finally Tribunal awarded Claim of Rs. 32,277 lakhs vide Award dated March 31,2019 in favour of OSEPL . Accordingly, management of OSEPL believes that it will realise claim from respondent (NHAI) and hence Financial Statements of OSEPL has been prepared on Going Concern basis . Further as the project has been handed over to NHAI , expenditure incurred on the project which were classified as "Intangible Assets under Development" have been transferred to "Claims" and disclosed under "Non Current Financial Assets".

NHAI has moved to Hon'ble High Court against the above order and the matter is sub-judice. OSEPL has received an amount of ₹4,986 lakhs out of the Award amount in FY 2020-21.

**34.7(A)** Expenses which are not forming part of claim but incurred by Orissa Steel Expressway Pvt. Ltd.(OSEPL) a subsidiary of the company, to remain operational has been charged to the Statement of profit and loss.

**34.8 Related Party Transactions****(I) Related Parties:**

Sl. No.	Name of the Party & Nature of relationship
<b>A</b>	<b>Investor having significant influence</b>
	Srei Venture Capital Trust A/C-Infrastructure Project Development Capital
<b>B</b>	<b>Associates</b>
	Kurukshetra Expressway Pvt. Ltd.
	Ghaziabad Aligarh Expressway Pvt. Ltd.
	Shree Jagannath Expressways Pvt. Ltd.
	Mahakaleshwar Tollways Pvt. Ltd.
	Palma Gumla Highway Pvt Ltd (w.e.f September 22, 2020)
<b>C</b>	<b>Key Management Personnel (KMP)</b>
	Bajrang Kumar Choudhary (Managing Director)
	Brahm Dutt {(Chairman,Non-executive and Independent Director) w.e.f May 14, 2020}
	Praful Tayal {(Non-executive and Independent Director) w.e.f May 14, 2020}
	Pradeep Singh (Non executive and Independent Director) till September 25, 2020
	Vipin Kumar Saxena {(Non-executive and Independent Director) w.e.f September 25, 2020}
	Dr. (Ms.) Tuk Tuk Ghosh Kumar (Non-executive and Independent Director)
	Santanu Ray (Non-executive and Independent Director)
	Naresh Mathur (Company Secretary)
	Arindam Bhowmick {(Chief Financial Officer) w.e.f July 24, 2020}. He ceased to be Chief Financial Officer of the Company w.e.f close of business hours on June 29,2021.
	Chathanur Krishnan Ranganathan appointed as Chief Financial Officer of the Company w.e.f close of business hours on June 29, 2021

## Notes to the Consolidated Financial Statements for the year ended March 31, 2022

## (II) Summary of Transactions and balances with Related Parties

The transactions with related parties have been entered at an amount which are not materially different from those on normal commercial terms. Outstanding balances at the year end will be settled as per terms of respective transactions.

(₹ in Lakhs)

Name of the related party	Nature of Transaction & Outstanding Balances	2021-22	2020-21
<b>Associates :</b>			
Kurukshetra Expressway Pvt. Ltd.	<b>Transactions :</b>		
	Demand loan given	-	27.17
	<b>Balance due:</b>		
	Demand loan given balance	1,821.63	1,821.63
	Investment in Unquoted Unsecured Optionally Convertible Debenture- Purchase Cost	9314.36	9,314.36
	Corporate guarantee given to lender of associate	8,000.00	8,000.00
	Cost of Investment pledged as collateral for loan taken by associate (9,31,43,600 units of OCD)	9314.36	11,769.28
Cost of Investment pledged as collateral for loan taken by associate (5,10,86,910 shares)	8835.53	11,445.94	
Ghaziabad Aligarh Expressway Pvt. Ltd.	<b>Transactions :</b>		
	Unsecured loan given	500.00	114.00
	Repayment of Unsecured Loan	-	114.00
	<b>Balance due:</b>		
	Trade Receivable (Net of TDS)	216.00	216.00
	Loan Instrument at cost	-	4,818.88
	Unsecured loan receivable	5,169.99	7,978.10
Corporate guarantee given to lender of associate	13,000.00	13,000.00	
Cost of Investment pledged as collateral for loan taken by associate (7,56,60,000 shares)	195.00	15,424.58	
Shree Jagannath Expressways Pvt. Ltd.	<b>Transactions :</b>		
	Liability no longer required written back	-	5.24
	Bad debt	-	0.13
	<b>Balance due:</b>		
	Trade Receivable	27,500.00	27,500.00
Cost of Investment pledged as collateral for loan taken by associate (5,91,48,000 shares)	11,216.70	11,216.70	
Mahakaleshwar Tollways Pvt. Ltd. (Associate w.e.f. 28th Oct, 2016)	<b>Transactions :</b>		
	Income from Consultancy fee	-	30.00
	Advance received	-	4.25
	Other Income	0.75	0.75
	Unquoted Unsecured Optionally Convertible Debenture converted into Loan	-	2,937.66
	Advance adjusted	0.85	-
	Advance given	0.56	-
	Advance refunded	0.56	-
	<b>Balance due:</b>		
	Advance received (Cr)	11.54	12.38
	Unsecured loan receivable	2,937.66	2,937.66
Corporate guarantee given to lender of Associate	12,000.00	12,000.00	
Cost of Investment pledged as collateral for loan taken by Associate (4,99,95,000 Shares)	1,499.85	1,499.85	



## Notes to the Consolidated Financial Statements for the year ended March 31, 2022

### (C) Key Management Personnel :

(₹ in Lakhs)

Particulars	Year Ended March 31, 2022	Year Ended March 31, 2021
<b>Transactions:</b>		
Short-term employee benefits	185.19	128.26
Post-employment benefits	11.62	9.64
Other long-term employee benefits	9.20	13.52
Director's Sitting Fees	15.35	23.15

### 34.9 Disclosure pursuant to Indian Accounting Standard-115 "Revenue form Contracts"

(a) Type of Goods or Service	Construction , Toll Collection ,Toll management and Project consultancy
(b) Geographical Region	India
(c) Market or Type of Customer	Government & Non-Government
(d) Type of Contract	Fixed-price contracts
(e) Contract Duration	Long Term Contracts
(f) Timing of transfer of goods or service	Transferred over the period of contract
(g) Sales channels	Directly to consumers

### 34.10 Information as required under regulation 34(3) of SEBI (Listing obligation and Disclosure requirements), Regulation, 2015.

(₹ in Lakhs)

Particulars	As at March 31, 2022	Maximum balance during the year
Kurukshetra Expressway Pvt. Ltd. {refer note 9(ii)}	1,821.63	1,821.63
Ghaziabad Aligarh Expressway Pvt. Ltd. {refer note 9(ii)}	5,169.99	13,907.05
Mahakaleshwar Tollways Pvt. Ltd. {refer note 9(ii)}	2,937.66	2,938.22

(₹ in Lakhs)

Particulars	As at March 31, 2021	Maximum balance during the year
Kurukshetra Expressway Pvt. Ltd. {refer note 9(ii)}	1,821.63	1,821.63
Ghaziabad Aligarh Expressway Pvt. Ltd. {refer note 9(i) & 9(ii)}	12,796.98	12,910.98
Mahakaleshwar Tollways Pvt. Ltd. {refer note 9(ii)}	2,937.66	2,937.66

Note : Figures mentioned in above table are at Cost.

### 34.11 In the Capacity of Lessee

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term. As at March 31, 2022 and March 31, 2021 there were no lease arrangements for a period of more than 12 months.

**34.12** (a) The Group has contributed and expensed ₹8.00 lakhs (March 31, 2021 ₹7.00 Lakhs) against the total contributable amount of ₹NIL (March 31, 2021 ₹6.57 Lakhs) for the year ended March 31, 2022 in accordance with section 135 of Companies Act, 2013 to trust/social organization.

(b) CSR activities undertaken during the year pertain to imparting, promoting and spreading education for under privileged children and weaker section of the society.

(c) There are no related party transactions with respect to Corporate Social Responsibility.

(d) Details of excess amount spent:

(₹ In lakhs )

Financial Year	Opening Balance	Amount required to be spent during the year	Amount spent during the year	Closing Balance
2020-21	0.09	6.57	7.00	0.52
2021-22	0.52	-	8.00	8.52

## Notes to the Consolidated Financial Statements for the year ended March 31, 2022

## 34.13 Financial Ratios:

Ratio	Numerator	Denominator	As at March 31, 2022	As at March 31, 2021	Reasons of variance
a) Current Ratio (in times)	Current Assets	Current liabilities	0.88	1.22	Decreased primarily on account of increase in current liabilities mainly other current financial liabilities with decrease in current assets.
b) Debt-Equity Ratio (in times)	Total borrowings	Shareholders equity	2.48	1.55	Debt equity ratio has increased due to decrease in equity as a result of losses in the year.
c) Debt Service coverage ratio (in times)	Earnings Debt available forService	Debt service	0.06	0.05	Increase in interest cost led to change in Debt service coverage ratio.
d) Return on Equity Ratio (%)	Net profit after tax	Average shareholders equity	(49%)	(11%)	Return on equity has declined due to decrease in equity as a result of losses in the year.
e) Trade receivable turnover ratio (in times)	Revenue from operations	Average trade receivables	1.58	1.65	Marginally lower due to increase in debtors as compared to previous year
f) Trade payables turnover ratio (in times)	Purchases	Average trade payable	8.36	2.40	Increased due to increase in purchase and decrease in creditors.
g) Net Capital Turnover ratio (in times)	Revenue from Operations	Working capital (Current Assets-Current Liabilities)	(2.76)	1.80	Decline due to increase in current liabilities
h) Net Profit ratio (%)	Net profit	Revenue from operations	(1.80)	(0.57)	Net profit margin has declined due to increased losses in the year.
i) Return on Capital Employed (%)	Earnings before Interest and Taxes	Average Capital employed	(0.28)	0.02	Return on Capital employed has declined due to losses in the year.
j) Return on Investment (%)	Income from Investments	Average Investments	(3.17)	(5.56)	Return on Investment has improved due to decrease in losses on investments

Inventory Turnover ratio is not relevant for the Company as it has no inventories.

## 35. FINANCIAL INSTRUMENT RELATED DISCLOSURES

## i) Capital Management

The primary objective of Group capital management is to support its road projects (SPVs) and provide adequate capital to its business for growth and creation of sustainable stakeholder value. The Group capital comprises of share capital and retained earnings attributable to equity shareholders. The Group manages its capital structure in light of changes in the economic and regulatory environment and the requirements of the financial covenants.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and requirement of financial covenants. In order to maintain or adjust the capital structure, the Group may adjust the dividend payments to shareholders, return capital to shareholders or issue new shares. The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group includes within net debt, loans and borrowings, less cash and cash equivalents.

No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2022 and March 31, 2021.

(₹ in Lakhs)

Particulars	March 31, 2022	March 31, 2021
Borrowings { Refer Note 19 and 19(ii) }	149,239.41	153,917.11
Less: Cash and cash equivalent (Refer Note 14)	2,923.96	4,440.14
<b>Net Debt (A)</b>	<b>146,315.45</b>	<b>149,476.97</b>
<b>Total Equity (Refer Note 17 and 18)</b>	<b>50,906.56</b>	<b>88,634.48</b>
<b>Total Equity plus Net Debt (B)</b>	<b>197,222.01</b>	<b>238,111.45</b>
<b>Gearing ratio (A/B)</b>	<b>0.74</b>	<b>0.63</b>

## Notes to the Consolidated Financial Statements for the year ended March 31, 2022

### ii) Financial Instruments- Accounting, Classification and Fair Value Measurement

#### A. Accounting classification and fair values

31st March 2022	Carrying Value				Fair value		
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3
<b>Financial Assets Non Current</b>							
Investments (excluding investment measured at cost:refer note - 8)	9,314.36	-	510.00	9,824.36	516.70	-	9,314.36
Loans (Refer Note 9 (i))	-	-	9.70	9.70	-	-	9.70
Other Financial Assets (Refer Note 10 (i))	-	-	20,688.49	20,688.49	-	-	20,688.49
<b>Financial Assets Current</b>							
Investments (Refer Note 12)	1,968.96	-	-	1,968.96	1,968.96	-	-
Trade receivables (Refer Note 13)	-	-	13,795.73	13,795.73	-	-	13,795.73
Cash and cash equivalents (Refer Note 14)	-	-	2,923.96	2,923.96	2,923.96	-	-
Bank Balance Other than Cash and Cash Equivalents (Refer Note 15)	-	-	1,200.81	1,200.81	1,200.81	-	-
Loans (Refer Note 9(ii))	-	-	11,608.73	11,608.73	-	-	11,608.73
Other Financial Assets (Refer Note 10 (ii))	-	-	21,490.91	21,490.91	-	-	21,490.91
<b>Total</b>	<b>11,283.32</b>	<b>-</b>	<b>72,228.33</b>	<b>83,511.65</b>	<b>6,610.43</b>	<b>-</b>	<b>76,907.92</b>
<b>Financial liabilities Non Current</b>							
Borrowings (Refer Note 19(i))	-	-	133,776.24	133,776.24	-	-	133,776.24
Other financial liabilities (Refer Note 20(i))	-	-	22,619.43	22,619.43	-	-	22,619.43
<b>Financial liabilities Current</b>							
Borrowings (Refer Note 19(ii))	-	-	15,463.17	15,463.17	-	-	15,463.17
Trade payables (Refer Note 23)	-	-	500.69	500.69	-	-	500.69
Other financial liabilities (Refer Note 20(ii))	-	-	46,453.43	46,453.43	-	-	46,453.43
<b>Total</b>	<b>-</b>	<b>-</b>	<b>218,812.96</b>	<b>218,812.96</b>	<b>-</b>	<b>-</b>	<b>218,812.96</b>

(₹ in lakhs)

31st March 2021	Carrying Value				Fair value		
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3
<b>Financial Assets Non Current</b>							
Investments (excluding investment measured at cost:refer note - 8)	11,769.28	-	520.38	12,289.66	510.54	-	11,769.28
Loans (Refer Note 9 (i))	5,428.95	-	5.33	5,434.28	-	-	5,434.28
Other Financial Assets (Refer Note 10 (i))	-	-	20,688.49	20,688.49	-	-	20,688.49
<b>Financial Assets Current</b>							
Investments (Refer Note 12)	7,814.86	-	-	7,814.86	7,814.86	-	-
Trade receivables (Refer Note 13)	-	-	13,519.95	13,519.95	-	-	13,519.95
Cash and cash equivalents (Refer Note 14)	-	-	4,440.14	4,440.14	4,440.14	-	-
Bank Balance Other than Cash and Cash Equivalents (Refer Note 15)	-	-	1,250.81	1,250.81	1,250.81	-	-
Loans (Refer Note 9(ii))	-	-	14,640.82	14,640.82	-	-	14,640.82
Other Financial Assets (Refer Note 10 (ii))	-	-	21,113.80	21,113.80	-	-	21,113.80
<b>Total</b>	<b>25,013.09</b>	<b>-</b>	<b>76,179.72</b>	<b>101,192.81</b>	<b>14,016.35</b>	<b>-</b>	<b>87,166.62</b>
<b>Financial liabilities Non Current</b>							
Borrowings (Refer Note 19(i))	-	-	141,279.65	141,279.65	-	-	141,279.65
Other financial liabilities (Refer Note 20(i))	-	-	14,462.77	14,462.77	-	-	14,462.77
<b>Financial liabilities Current</b>							
Borrowings (Refer Note 19(ii))	-	-	12,637.46	12,637.46	-	-	12,637.46
Trade payables (Refer Note 23)	-	-	134.62	134.62	-	-	134.62
Other financial liabilities (Refer Note 20(ii))	-	-	40,187.84	40,187.84	-	-	40,187.84
<b>Total</b>	<b>-</b>	<b>-</b>	<b>208,702.34</b>	<b>208,702.34</b>	<b>-</b>	<b>-</b>	<b>208,702.34</b>

There have been no transfers between Level 1, Level 2 and Level 3 for the years ended March 31, 2022 and March 31, 2021.

## Notes to the Consolidated Financial Statements for the year ended March 31, 2022

### B. Measurement of fair values

The table shown above analyses financial instruments carried at fair value, by valuation method. The different levels have been defined below:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs)

### C. Valuation techniques

The following methods and assumptions were used to estimate the fair values

- 1) The fair value of trade receivables, trade payables, current loans, current borrowing and other current financial assets and liabilities is considered to be equal to the carrying amounts of these items due to their short term nature.
- 2) The fair value of Non-current investments (excluding investment measured at cost/amortized cost) and non-current loans are done by adopting Discounted Free Cash flow method (DCF) approach by a registered valuer. These valuation is based on the assumptions and estimates considered appropriate by the management.
- 3) Non current Borrowings and other non current financial liabilities have been contracted at fixed rate of interest and accounted for accordingly. Fair value of these approximates their carrying value.

### D. Reconciliation of Financial Assets in Level 3 is as below:

(₹ in Lakhs)

Particulars	March 31, 2022	March 31, 2021
Balance at the beginning of the year	87,166.62	109,858.74
Movement during the year	(3,596.90)	(19,755.50)
Fair Value changes	(6,661.80)	(2,936.62)
<b>Balance at the end of the Year</b>	<b>76,907.92</b>	<b>87,166.62</b>

### iii) Financial Risk Management

The Group's principal financial liabilities comprises of borrowings and other payables. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets include investments in equity and debt instruments, loans (advances to related parties), trade and other receivables, and cash and short-term deposits that derive directly from its operations.

The Group is exposed to the following risks from its use of financial instruments:

Credit risk- Liquidity risk- Interest rate risk

The Group's board of directors has the overall responsibility for the establishment and oversight of the Group's risk management framework. This note presents information about the risks associated with its financial instruments, the group's objectives, policies and processes for measuring and managing risk, and the Group's management of capital.

Credit Risk

The Group is exposed to credit risk as a result of the risk of counterparties defaulting on their obligations. The Group's exposure to credit risk primarily relates to cash and cash equivalent, investments in equity and debt instruments, loans & other financial assets and accounts receivable.

The Group monitors and limits its exposure to credit risk on a continuous basis. Credit Risk on cash and cash equivalents is limited as the Group generally invest in deposits with nationalized banks. Investments in equity and debt securities consist of investment in associates. Loans are primarily provided to associates and are in the nature of short-term as the same is repayable on demand.

The Group's credit risk associated with accounts receivable is managed through periodical review of the financial reliability of its customers, taking into account the financial condition, current economic trends and analysis of historical bad debts and ageing of accounts receivables.

## Notes to the Consolidated Financial Statements for the year ended March 31, 2022

The Group's financial assets which are exposed to credit risk are as follows:

(₹ in Lakhs)

Particulars	March 31, 2022	March 31, 2021
Investment in Equity (Refer note 8)	8,796.80	22,521.71
Investment in Bond (Refer note 8)	510.00	520.38
Investment in Debt Securities (Refer Note 8)	9,314.36	11,769.28
Investment in Mutual Funds(Refer Note 12)	1,968.96	7,814.86
Trade and other receivables (refer Note 13)	13,795.73	13,519.95
Cash and cash equivalents and other bank balance (Refer Note 14 & 15)	4,124.77	5,690.95
Loans & Other Financials Asset (Refer Note 9(i), 9(ii), 10(i) and 10(ii) }	53,797.83	61,877.39
<b>Total</b>	<b>92,308.45</b>	<b>123,714.52</b>

### Trade Receivables Ageing analysis

(₹ in Lakhs)

Particulars	March 31, 2022	March 31, 2021
Not due	-	-
Up to 180 days	14.68	725.69
More than 180 days	13,781.04	12,794.25
	<b>13,795.73</b>	<b>13,519.95</b>

No significant changes in estimation techniques or assumptions were made during the reporting year.

### Other financial liabilities

#### Liquidity risk

The Group is exposed to liquidity risk related to its ability to fund its obligations as and when they become due. The Group monitors and manages its liquidity risk to ensure access to sufficient funds to meet operational and financial requirements. The Group has access to credit facilities and monitors cash and bank balances on a regular basis. In relation to the Group's liquidity risk, the Group's policy is to ensure that it will have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions without incurring unacceptable losses.

#### Financing arrangements

The Group has access to following undrawn borrowing facilities at the end of the reporting year:

(₹ in Lakhs)

Particulars	March 31, 2022	March 31, 2021
Term Loan facilities	7,911.17	8,260.17

#### Maturities of financial liabilities

The contractual undiscounted cash flows of financial liabilities are as follows:

As at 31 March 2022	Less than 1 year	1-5 years	Over 5 Years	Total
Borrowings (Refer Note 19(i) & 19(ii) }	15,463.17	46,987.64	86,788.60	149,239.40
Trade payables (Refer Note 23)	500.69	-	-	500.69
Other financial liabilities (Refer Note 20(i) & 20(ii) }	46,453.43	6,459.22	16,160.21	69,072.86
	<b>62,417.29</b>	<b>53,446.86</b>	<b>102,948.80</b>	<b>218,812.96</b>
As at 31 March 2021	Less than 1 year	1-5 years	Over 5 Years	Total
Borrowings (Refer Note 19(i) & 19(ii) }	12,637.46	49,817.54	91,462.11	153,917.11
Trade payables (Refer Note 23)	134.62	-	-	134.62
Other financial liabilities (Refer Note 20(i) & 20(ii) }	40,187.82	3,743.94	10,718.85	54,650.61
	<b>52,959.90</b>	<b>53,561.48</b>	<b>102,180.96</b>	<b>208,702.34</b>

## Notes to the Consolidated Financial Statements for the year ended March 31, 2022

**Interest rate risk**

Interest rate risk is the risk that an upward movement in the interest rate would adversely effect the borrowing cost of the Group. The Group manages its interest rate risk by regular monitoring and taking necessary actions as are necessary to maintain an appropriate balance.

The exposure of the Group's borrowings to interest rate changes at the end of the reporting period are as follows:

**a) Interest rate risk exposure**

(₹ in Lakhs)

Particulars	March 31, 2022	March 31, 2021
Variable rate borrowings	71,228.41	75,255.81

**b) Sensitivity analysis**

Profit or loss estimate to higher/lower interest rate expense from borrowings as a result of changes in interest rates. (₹ in Lakhs)

Particulars	Impact on profit	
	March 31, 2022	March 31, 2021
Interest rates - increase by 70 basis points	498.60	526.79
Interest rates - decrease by 70 basis points	(498.60)	(526.79)

**Foreign Currency Risk**

Foreign currency risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of change in foreign exchange rate. The Group operates domestically and the business is transacted in local currencies and consequently the Group is not significantly exposed to foreign exchange risk through its sales and services.

**Price risk**

Price risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of change in market prices (other than those arising from interest rate risk or currency risk). The Group is not exposed to price risk as it has insignificant financial instruments and it operates domestically and the business is transacted in local currencies (eg: investment in mutual fund).

**36** In accordance with Indian Accounting Standard 110 "Consolidated Financial Statements", the Consolidated Financial Statements of the Group include the financial statements of the Holding Company and its subsidiaries. Enterprises over which the Group exercises significant influence are considered for preparation of the Consolidated Financial Statements as per Indian Accounting Standard 28 "Accounting for Investments in Associates and Joint Ventures".

The subsidiaries and associates considered in the preparation of these consolidated financial statements are:

Name of the Party & Nature of relationship	Country of Origin	% Holding As at 31st March, 2022	% Holding As at 31st March, 2021
<b>Subsidiaries</b>			
Solapur Tollways Pvt. Ltd.	India	100.00%	100.00%
Orissa Steel Expressway Pvt. Ltd.	India	59.38%	59.38%
Guruvayoor Infrastructure Pvt. Ltd.	India	73.99%	73.99%
<b>Associates</b>			
Kurukshetra Expressway Pvt. Ltd.	India	49.00%	49.00%
Ghaziabad Aligarh Expressway Pvt. Ltd.	India	39.00%	39.00%
Shree Jagannath Expressways Pvt. Ltd.	India	40.00%	40.00%
Palma Gumla Highway Pvt. Ltd.	India	26.00%	26.00%
Mahakaleshwar Tollways Pvt. Ltd.	India	45.67%	48.00%

**Notes to the Consolidated Financial Statements** for the year ended March 31, 2022  
**37.1 Additional Information as per Schedule III of the Companies Act, 2013**

**A. As at 31st March, 2022**

Name of the entity	Net Assets, i.e. total assets minus total liabilities		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount (₹ in lakh)	As % of consolidated profit or loss	Amount (₹ in lakh)	As % of consolidated other comprehensive income	Amount (₹ in lakh)	As % of consolidated total comprehensive income	Amount (₹ in lakh)
<b>Parent</b>								
1 Bharat Road Network Limited	55.54%	32,345.07	60.44%	(23,490.61)	(41.03%)	(7.61)	60.49%	(23,498.22)
<b>Subsidiaries</b>								
<b>Indian:</b>								
1 Solapur Tollways Pvt. Ltd.	10.87%	6,331.42	13.75%	(5,345.74)	22.05%	4.09	13.75%	(5,341.65)
2 Orissa Steel Expressway Pvt. Ltd.	6.53%	3,802.87	0.03%	(12.73)	–	–	0.03%	(12.73)
3 Gurusyoor Infrastructure Pvt Ltd	30.34%	17,665.30	(12.74%)	4,950.52	54.99%	10.20	(12.77%)	4,960.72
<b>Non Controlling Interests in subsidiaries</b>	15.93%	9,277.46	3.18%	(1,235.06)	19.35%	3.59	3.17%	(1,231.47)
<b>Associates Indian:</b>								
1 Kurukshetra Expressway Pvt. Ltd.	(4.48%)	(2,610.41)	0.00%	–	0.00%	–	0.00%	–
2 Ghaziabad Aligarh Expressway Pvt. Ltd.	(26.49%)	(15,424.58)	31.09%	(12,082.57)	42.89%	7.96	31.08%	(12,074.62)
3 Shree Jagannath Expressways Pvt. Ltd.	11.76%	6,845.98	4.25%	(1,650.61)	1.75%	0.32	4.25%	(1,650.28)
4 Mahakaleshwar Tollways Pvt. Ltd.	0.00%	–	0.00%	–	0.00%	–	0.00%	–
5 Palma Gumla Highway Pvt. Ltd.	0.00%	–	0.00%	–	0.00%	–	0.00%	–
<b>TOTAL</b>	<b>100.00%</b>	<b>58,233.11</b>	<b>100.00%</b>	<b>(38,866.79)</b>	<b>100.00%</b>	<b>18.55</b>	<b>100.00%</b>	<b>(38,848.24)</b>

Note: Figures are after elimination of transactions within the Group.

**A. As at 31st March, 2021**

Name of the entity	Net Assets, i.e. total assets minus total liabilities		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount (₹ in lakh)	As % of consolidated profit or loss	Amount (₹ in lakh)	As % of consolidated other comprehensive income	Amount (₹ in lakh)	As % of consolidated total comprehensive income	Amount (₹ in lakh)
<b>Parent</b>								
1 Bharat Road Network Limited	25.10%	23,338.67	41.73%	(4,958.41)	15.41%	5.72	41.81%	(4,952.69)
<b>Subsidiaries</b>								
<b>Indian:</b>								
1 Solapur Tollways Pvt. Ltd.	11.26%	10,466.66	57.45%	(6,826.01)	(6.33%)	(2.35)	57.65%	(6,828.36)
2 Orissa Steel Expressway Pvt. Ltd.	4.00%	3,721.00	0.24%	(28.47)	–	–	0.24%	(28.47)
3 Gurusyoor Infrastructure Pvt Ltd	24.13%	22,435.70	(3.91%)	464.75	36.94%	13.71	(4.04%)	478.46
<b>Non Controlling Interests in subsidiaries</b>	11.30%	10,508.95	3.85%	(457.57)	12.99%	4.82	3.82%	(452.75)
<b>Associates Indian:</b>								
1 Kurukshetra Expressway Pvt. Ltd.	0.00%	–	0.00%	–	0.00%	–	0.00%	–
2 Ghaziabad Aligarh Expressway Pvt. Ltd.	12.98%	12,074.61	(4.00%)	475.45	43.10%	16.00	(4.15%)	491.45
3 Shree Jagannath Expressways Pvt. Ltd.	11.23%	10,447.10	0.94%	(111.60)	(2.13%)	(0.79)	0.95%	(112.39)
4 Mahakaleshwar Tollways Pvt. Ltd.	0.00%	–	3.70%	(439.60)	0.00%	–	3.71%	(439.60)
5 Palma Gumla Highway Pvt. Ltd.	0.00%	–	0.00%	(0.26)	0.00%	–	0.00%	(0.26)
<b>TOTAL</b>	<b>100.00%</b>	<b>92,992.69</b>	<b>100.00%</b>	<b>(11,881.72)</b>	<b>100.00%</b>	<b>37.11</b>	<b>100.00%</b>	<b>(11,844.61)</b>

Note: Figures are after elimination of transactions within the Group.



## Notes to the Consolidated Financial Statements for the year ended March 31, 2022

**37.2** Earnings / Expenses in Foreign Currency - ₹Nil (Previous Year - ₹Nil).

**37.3** As per the Concession Agreement for the project executed with MPRDC by Mahakaleshwar Tollways Pvt. Limited (MTPL), one of the associate company, the available balance in the Escrow Account needs to be withdrawn every month as per the order specified in the Escrow Agreement dated 23rd February 2010. During the year, the revenue of MTPL was insufficient for payment of premium to MPRDC as per the said specified order of withdrawal under Escrow Agreement. The Concession Agreement does not provide for accrual of Premium if the project revenue is insufficient for its payment. Hence no provision has been made in the books of account toward Premium amounting to ₹758.92 lakhs for the period 1st April 2021 to 28th January 2022 (ie the date of takeover of the project by MPRDC).

**37.4** The Company has executed a Securities Purchase Agreement (SPA) dated January 20, 2021 and related transaction documents, with a Purchaser acting through its investment manager, for sale of the entirety of the Company's shareholding in Shree Jagannath Expressways Private Limited ('SJEPL'). SJEPL is an 'Associate' of the Company .

The proposed sale of shares of SJEPL is subject to applicable regulatory and other approvals and certain conditions, more specifically laid down in the SPA. The valuation date for sale as per the SPA is September 30, 2020. The Equity value of the proposed transaction is subject to adjustments of debt and other capital and operational costs at closing date and hence, net consideration receivable is not ascertainable at this stage.

The Group has recognised its share of loss of ₹1650.28 lakhs for its investment in SJEPL in its consolidated financial statements for the year ended March 31, 2022. Negative / positive impact if any, of its share of profit/(loss) in SJEPL will be adjusted on closure of the transaction.

**37.5** Kurukshehra Expressway Pvt. Ltd. (KEPL), an associate of the Company , has issued notice for termination of Concession agreement to NHAI on October 7, 2021 citing Kisan Andolan being agitation and protest held by farmers and other unions, as force majeure event in terms of Concession agreement. As a result of the above Protest, toll collections of KEPL got affected significantly . During the year ended March 31, 2022 , the project has been transferred to NHAI.

In this regard, KEPL has filed a claim of ₹1,34,753.13 lakhs with NHAI towards termination payment in terms of Concession agreement and also has other claims against NHAI, which are at different stages of proceedings and will continue to be legitimate even after termination of the Concession Agreement.

**37.6** Mahakaleshwar Tollways Pvt Ltd. (MTPL) an associate of the Company has received a Notice dated January 27, 2022 from M.P. Road Development Corporation Ltd ("MPRDC"), for Termination of Concession Agreement (CA) entered into between MTPL and MPRDC. As per the said Notice, MPRDC is deemed to have taken possession and control of Project .

MTPL has filed a writ petition before the Hon'ble High Court of Madhya Pradesh, seeking appropriate relief for the said actions of MPRDC. Further more MTPL has also issued Termination Notice to MPRDC on account of MPRDC default and raised claim of Termination payment of ₹49,246 lakhs as per Concession Agreement.

**37.7** Heavy Rain and Flood in Kerala, which started on 15th August 2018 badly affected Toll Plaza Operations and caused substantial damage to the Carriage Way and Toll Palza including the Toll Management System (TMS) of Guruvayoor Infrastructure Pvt. Ltd.(GIPL) a subsidiary company. The loss had been intimated to the Insurance Company and Insurance company has assessed and discharged claim amounting to ₹126.19 lakhs, which is not agreed by GIPL wrt to the quantum of claim assessed by insurance company. Hence GIPL has filed a petition before the Honourable Delhi High Court and requested to appoint sole Arbitrator in accordance with provision of Arbitration & Conciliation Act, 1996.

**37.8** In case of Guruvayoor Infrastructure Pvt. Ltd.(GIPL) a subsidiary company, due to Demonitisation Scheme announced by the Government of India, Toll collection was suspended for 23 Days i.e. from 9th November, 2016 to 2nd December, 2016, in accordance with the directives of National Highways Authority of India (NHAI). As per NHAI Circulars dated 29th November 2016 and 6th December 2016, GIPL has raised and submitted its claim with NHAI against loss of revenue of the said period .Part of the claim has been approved and received amounting to ₹267.03 lakhs while balance amount is under process.

**38** The Group did not have any trasactions with Companies struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956 during the Financial Year.

**39** Additional Regulatory information required by schedule III to the Companies Act, 2013

- i. The Group do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property under the Benami Transaction Prohibition Act, 1988 (45 of 1988) and Rules made thereunder.

## Notes to the Consolidated Financial Statements for the year ended March 31, 2022

- ii. The Group has not been declared willful defaulter by any bank or financial institution or any other lender.
  - iii. The Group have not traded or invested in Crypto currency or Virtual Currency during the financial year.
  - iv. Utilisation of borrowed funds and share premium
    - I. The Group have not advanced or loaned or invested funds to any other person or entity, 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 on behalf of the Company (Ultimate Beneficiaries); or
      - b. provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
    - II. The Group have not received any fund from any person or entity, 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.
  - v. The Group does not have any 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 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
  - vi. The Group has complied with the requirement with respect to number of layers as prescribed under section 2(87) of the Companies Act, 2013 read with Companies(Restriction of number of layers) Rules, 2017.
- 40** These financial statements has been approved and adopted by Board of Directors of the Company in their meeting dated 30 May, 2022 for issue to the shareholders for their adoption.

As per our report of even date

**For S.S. Kothari Mehta & Company**  
Chartered Accountants  
Firm Registration No. 000756N

**Rana Sen**  
Partner  
Membership No. 066759

Place : Kolkata  
Date : May 30, 2022

**For and On behalf of the Board of Directors**

**Brahm Dutt**  
Chairman  
DIN : 05308908

**Naresh Mathur**  
Company Secretary

**Bajrang K Choudhary**  
Managing Director  
DIN : 00441872

**C K Ranganathan**  
Chief Financial Officer

## Form AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

## Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

## Part "A": Subsidiaries

(₹ in lakh)

Name of Company	Solapur Tollways Pvt. Ltd.	Orissa Steel Expressway Pvt. Ltd.	Guruvayoor Infrastructure Pvt. Ltd.
The date since when subsidiary was acquired	3rd August, 2013	12th November, 2016	28th March, 2018
Reporting Year	31st March, 2022	31st March, 2022	31st March, 2022
Reporting Currency	INR	INR	INR
Share Capital	50.00	7,836.66	16,894.00
Reserves & Surplus	7,508.65	(172.68)	(21,603.02)
Total Assets	117,915.23	22,181.04	64,285.27
Total Liabilities	117,915.23	22,181.04	64,285.27
Investments	-	-	1,968.96
Turnover	9,588.49	6.80	12,622.61
Profit/(Loss) before Tax	(5,416.73)	(21.43)	(4,714.96)
Provision for Taxation	-	-	-
Profit/(Loss) after Tax	(5,416.73)	(21.43)	(4,714.96)
Proposed Dividend	-	-	-
% of shareholding (effective)	100.00%	59.38%	73.99%

## Notes:

- Names of subsidiaries which are yet to commence operations:
  - Orissa Steel Expressway Pvt. Ltd. (Refer Note No. 34.7) of consolidated financial statements.
- Names of subsidiaries which have been liquidated or sold during the year : None

## Part "B": Associates and Joint Ventures

(₹ in lakh)

Name of Associate	Ghaziabad Aligarh Expressway Private Limited	Kurukshetra Expressway Private Limited	Shree Jagannath Expressways Private Limited	Palma Gumla Highway Private Limited	Mahakaleshwar Tollways Private Limited
Relationship	Associate	Associate	Associate	Associate	Associate
1 Latest audited Balance Sheet date	March 31, 2022	March 31, 2022	March 31, 2022	March 31, 2022	March 31, 2022
2 Date on which the Associate was associated	Sep 11, 2012	Mar 28, 2013	Mar 28, 2013	Sept 22, 2020	Oct 28, 2016
3 Share of Associate held by the company on the year end					
No.	75,660,000	51,086,910	59,148,000	2,600	49,995,000
Amount of Investment in Associates	15,424.58	11,445.93	11,216.70	0.26	1,499.85
Extent of Holding %	39.00%	49.00%	40.00%	26.00%	45.67%
4 Description of how there is significant influence	Control of 39.00% of Total Share Capital	Control of 49.00% of Total Share Capital	Control of 40.00% of Total Share Capital	Control of 26.00% of Total Share Capital	Control of 45.67% of Total Share Capital
5 Reason why the associate is not consolidated	N.A.	N.A.	N.A.	N.A.	N.A.
6 Networth attributable to Shareholding as per latest audited Balance Sheet	(76.10)	(13,037.75)	3,494.91	567.64	(4,106.61)
7 Profit / (Loss) for the year					
i. Considered in Consolidation	(12,074.62)	-	(1,650.28)	-	-
ii. Not Considered in Consolidation	N.A.	N.A.	N.A.	N.A.	N.A.

- Names of associates or joint ventures which are yet to commence operations: Palma Gumla Highway Pvt. Ltd.
- Names of associates or joint ventures which have been liquidated or sold during the year: None

## For and On behalf of the Board of Directors

**Brahm Dutt**  
Chairman  
DIN : 05308908  
**Naresh Mathur**  
Company Secretary

**Bajrang K Choudhary**  
Managing Director  
DIN : 00441872  
**C K Ranganathan**  
Chief Financial Officer  
Place : Kolkata  
Date : May 30, 2022

**BRNL**

**BHARAT ROAD NETWORK LIMITED**

CIN: L45203WB2006PLC112235

**Registered Office:**

Plot No. X1 – 2 & 3, Ground Floor, Block – EP, Sector – V, Salt Lake City

Kolkata – 700 091 Tel. No.: 033 6602 3609

Website: [www.brnl.in](http://www.brnl.in); E-mail ID: [cs@brnl.in](mailto:cs@brnl.in)

**BHARAT ROAD NETWORK LIMITED**

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Kolkata – 700 091 Tel. No.: 033 6666 2700

Website: www.brnl.in; E-mail ID: cs@brnl.in

**NOTICE**

**NOTICE** is hereby given that the Fifteenth Annual General Meeting (AGM) of the Members of Bharat Road Network Limited will be held on Thursday, 29th September, 2022, at 2:30 P.M. through Video-Conferencing (“VC”) or Other Audio Visual Means (“OAVM”), to transact the following businesses:

**ORDINARY BUSINESS**

1. To receive, consider and adopt -
  - a) The Audited Standalone Financial Statement of the Company for the Financial Year ended March 31, 2022, together with the Reports of the Board of Directors and Auditors thereon.
  - b) The Audited Consolidated Financial Statement of the Company for the Financial Year ended March 31, 2022, together with the Report of the Auditors thereon.
2. To appoint a Director in place of Mr. Bajrang Kumar Choudhary (DIN: 00441872), who retires by rotation and being eligible, offers himself for re-appointment.
3. To re-appoint the Statutory Auditors of the Company, and to fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Sections 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and on the recommendation of the Audit Committee as well as the Board of Directors of the Company, **M/s. S.S. KOTHARI MEHTA & Co., Chartered Accountants, Kolkata** having Firm Registration No. 000756N allotted by The Institute of Chartered Accountants of India (ICAI), who have offered themselves for re-appointment and have confirmed their eligibility to be appointed as Auditors, be and are hereby re-appointed as Statutory Auditors of the Company to hold office for a second term of 5 consecutive years from the conclusion of fifteenth Annual General Meeting till the conclusion of Twentieth Annual General Meeting of the Company, commencing from Financial Year 2022-23 on such remuneration as shall be fixed by the Board of Directors based on the recommendation of the Audit Committee in addition to reimbursement of all reasonable out-of-pocket expenses as may be incurred in connection with the audit of the accounts of the Company.”

**SPECIAL BUSINESS**

4. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 152, 196, 197, 198 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 (Act), if any and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any amendment, statutory modification(s) or re-enactment thereof for the time being in force), Articles of Association of the Company, recommendation of Nomination and Remuneration Committee and approval of the Board of Directors, consent of the members of the Company be and is hereby accorded for re-appointment of Mr. Bajrang Kumar Choudhary (DIN: 00441872) as the Managing Director (MD) of the Company, liable to retire by rotation, for a period of 3 (three) years with effect from 1st November, 2022, on terms and conditions as recommended by the Nomination and Remuneration Committee and the Board of Directors based on the BRNL Nomination and Remuneration Policy and other

terms and conditions as set out in the draft agreement (“Agreement”) to be entered into between the Company and Mr. Bajrang Kumar Choudhary, a copy of which is placed before the meeting, the terms and conditions of which are set out briefly herein:

- a. **Salary:** Rs. 3,75,000/- (Rupees Three Lakhs Seventy Five Thousand only) per month with authority to the Board to fix such other higher amount as may be permissible under the provisions of the Companies Act, 2013, as amended or replaced, read with Schedule V of Act from time to time. The annual increments will be merit-based and take into account the Company’s performance.
- b. **House Rent Allowance (HRA):** HRA at the rate of 50% (fifty percent) of salary.
- c. **Special Allowance:** Rs. 4,18,213/- (Rupees Four Lakhs Eighteen Thousand Two Hundred Thirteen only) per month.
- d. **Superannuation Allowance:** Rs. 37,500/- (Rupees Thirty Seven Thousand only) per month.
- e. **Ex-gratia:** Payment of 1 (one) month’s salary per annum or such other higher sum as may be decided by the Board of Directors of the Company.
- f. **Performance Incentive:** Annual Performance incentive as per the policy of the Company and based on Performance of the Company.
- g. **Perquisites:** In addition to the aforesaid, the Managing Director shall be entitled to the following perquisites:
  - i) **Medical Reimbursement**

Reimbursement of actual medical expenses incurred for self and family, restricted to an amount equivalent to 1 (one) month’s salary per annum.
  - ii) **Leave Travel Allowance**

Reimbursement of actual travelling expenses, for proceeding on leave, once in a year in respect of self and family, restricted to an amount equivalent to 1(one) month’s salary per annum.
  - iii) **Gratuity**

Gratuity will be payable as per The Payment of Gratuity Act, 1972.
  - iv) **Leave**

Entitled for leave with full pay or encashment thereof as per the rules of the Company.
  - v) **Conveyance Facilities / Allowance**

The Company will provide reimbursement of conveyance expenses upto Rs. 75,000/- per month to the Managing Director.
  - vi) **Personal Accident Insurance**

The Managing Director will be covered under Personal Accident Policy for which the premium will be borne by the company.
  - vii) **Other Perquisites**

Subject to overall ceiling on remuneration prescribed in Schedule V to the Companies Act, 2013, as amended or replaced, the Managing Director may be given any other allowances, benefits and perquisites as the Board of Directors may from time to time decide.
  - viii) **Incentives and Amenities**

Any incentive and amenities as per the Policy of the Company or as decided by the Board from time to time will also be paid to the Managing Director.

**Explanation:**

Perquisites shall be evaluated as per Income Tax Rules, wherever applicable and in absence of any such rule, perquisites shall be evaluated at actual cost.

Company’s contribution to Provident Fund or Superannuation or Annuity Fund, to the extent these either singly or together are not taxable under the Income Tax Act, gratuity payable as per the rules of the Company and encashment of leave as per the rules of the Company, shall not be included in the computation of limits for the remuneration or perquisites aforesaid.

## OVERALL REMUNERATION

The aggregate of salary, perquisites and other allowances payable to the said Managing Director in any one financial year shall not exceed the limits prescribed or to be prescribed from time to time under Sections 196, 197 and other applicable provisions of the The Company may, at the recommendation of the Board, increase, alter or vary the remuneration, perquisites and other terms and conditions including monetary value thereof as set out in this agreement depending on the Company's performance.

The Managing Director shall not be paid any sitting fees for attending the meetings of the Board or Committees thereof from the date of his appointment.

In case of any dispute or difference that may arise out of the terms of appointment of the Managing Director or otherwise, the decision of the Board in this regard shall be final and binding on the Managing Director.

Though the Managing Director is initially posted at Kolkata, his services may be transferred to any other place in India as may be mutually agreed by and between the Company and the Managing Director.

Subject to provisions of the Act, the Managing Director shall, while he continues to hold office of the Managing Director, be subject to retirement by rotation, but he shall ipso facto immediately cease to be Managing Director if he ceases to hold office of Director for any cause.

However, the Managing Director reappointed as a Director of the Company immediately on retirement by rotation, shall continue to hold his office of Managing Director and such reappointment as such Director shall not be deemed to constitute a break in his appointment / service as Managing Director of the Company.

**RESOLVED FURTHER THAT** the Board of Directors (hereinafter referred to as "Board" which term shall be deemed to include any authorized Committee of the Board) be and is hereby authorized to alter and vary the terms and conditions of appointment, at any time(s) and from time to time and in such manner as the Board may deem fit subject to the overall limits of remuneration specified by this resolution and applicable laws;

**RESOLVED FURTHER THAT** for the purpose of giving effect to this Resolution, the Board of the Company be and is hereby authorised to do all such acts, deeds, matters and things and give such directions as it may in its sole discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard and to delegate to the extent permitted by law, all or any of the powers herein conferred to any Director(s) or any Key Managerial Personnel (KMPs) of the Company."

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

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 152, 160, 161 and all other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force), Regulation 17(1)(c) and any other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, Articles of Association of the Company, BRNL Nomination & Remuneration Policy, Policy on Board Diversity and based on the recommendation of the Nomination and Remuneration Committee and the Board of Directors, Mr. Rakesh Kumar Gupta (DIN:06806891), who was appointed as an Additional Director (Category: Non-Executive and Non- Independent) of the Company with effect from 18th August, 2022, and who holds office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Act proposing his candidature for the office of Director of the Company, be and is hereby appointed as a Non-Executive and Non-Independent Director of the Company, liable to retirement by rotation."

6. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the relevant provisions of Section 188 of the Companies Act, 2013 read with Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) (as amended from time to time), approval and recommendation of the Audit Committee and the Board of Directors of the Company, Company's policy on Related Party Transactions, and subject to such approvals, consents, sanctions and permissions, as may be necessary,



consent and approval of the Shareholders of the Company be and is hereby accorded for all contract(s)/arrangement(s)/ agreement(s)/transactions proposed to be entered into by the Company with its Related Parties as defined within the meaning of Section 2(76) of the Companies Act, 2013 and Regulation 2(1)(zb) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, in one or more tranches, during the period 1st October, 2022 to 30th September, 2023 (including subsequent material modification(s), if any, as defined by the Audit Committee and as covered in the Company's policy on Related Party Transactions) for the transactions given below, details of which have been provided in the explanatory statement, the value of which, individually or taken together with previous or other transaction(s), may exceed 10 (ten) per cent of the Annual Consolidated Turnover of the Company, as per the last audited Financial Statements of the Company -

(in Cr.)

Sl. No.	Name of the Related Party	Nature of Relationship	Value of RPT proposed for the period 1st Oct, 2022 till 30th Sep, 2023
1.	Solapur Tollways Private Limited	Subsidiary	95.00
2.	Orissa Steel Expressway Private Limited		2.00
3.	Guruvayoor Infrastructure Private Limited		88.00
4.	Mahakaleshwar Tollways Private Limited	Associate	1.00
5.	Kurukshetra Expressway Private Limited		1.50
6.	Palma Gumla Highway Private Limited		3.00
	<b>Total</b>		<b>190.50</b>

**RESOLVED FURTHER THAT** pursuant to the provisions of Regulation 23(4) and 23(8) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Company's policy on Related Party Transaction(s), approval of Shareholders be and is hereby accorded for the contract(s)/ arrangement(s)/ transaction(s) entered into by the Company with Srei Infrastructure Finance Limited (Promoter of the Company) / Srei Equipment Finance Limited (Wholly Owned Subsidiary of the Promoter), related party within the meaning of Regulation 2(1)(zb) of the Listing Regulations as under -

(in Cr.)

Sl. No.	Name of the Related Party	Nature of Relationship	Nature of Transaction	Value of Transactions
1.	Srei Equipment Finance Limited (SEFL)	Wholly Owned Subsidiary of Srei Infrastructure Finance Limited, Corporate Promoter of the Company	Term loan availed and subsisting as on 01.04.2022	200
			Repayment of term loan availed in pt (1) above	2.94
2.	Srei Infrastructure Finance Limited (SIFL) / Srei Equipment Finance Limited (SEFL)	Corporate Promoter of the Company / Wholly Owned Subsidiary of Corporate Promoter	Payment towards Corporate Guarantee obligation to SIFL / SEFL for the loans availed by Company's subsidiaries / associates from SIFL / SEFL	65.42

**RESOLVED FURTHER THAT** pursuant to the provisions of Regulation 2(1)(zc), 23(4) and 23(8) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Company's policy on Related Party Transaction(s), approval of Shareholders be and is hereby accorded for the contract(s)/ arrangement(s)/ transaction(s) entered into by Srei Infrastructure Finance Limited (Promoter of the Company) / Srei Equipment Finance Limited (Wholly Owned Subsidiary of the Promoter) with the subsidiaries of the Company, Related Party Transactions within the meaning of Regulation 2(1)(zb) of the Listing Regulations as under -

Name (a)	Nature of Relationship with BRNL (b)	Name of the related party of BRNL and nature of relationship with BRNL (c)	Nature of Transaction between (a) and (c)	Value of Transactions
Solapur Tollways Private Limited	Subsidiary of the Company	Srei Equipment Finance Limited (Wholly Owned Subsidiary of Srei Infrastructure Finance Limited, Corporate Promoter of BRNL)	Term loan (including interest) availed and subsisting as on 01.04.2022	474.59
Guruvayoor Infrastructure Private Limited	Subsidiary of the Company			208.66
Orissa Steel Expressway Private Limited	Subsidiary of the Company			129.68

**RESOLVED FURTHER THAT** the Board of Directors and its Committees, including any person authorised by the Board/Committee, be and is hereby authorized to -

- negotiate, finalise, vary, amend, renew, and revise the terms and conditions of the contract(s)/arrangement(s)/agreement(s)/transactions including but not limited to prices / pricing formula and tenure;
- enter into, sign, execute, renew, modify and amend all agreements, documents, letters, undertaking thereof, from time to time;
- do all such acts, matters, deeds and things and to settle any question, difficulty or doubt that may arise as may be necessary or desirable for the purpose of giving effect to this resolution.”

**RESOLVED FURTHER THAT** all actions taken by the Board of Directors/Audit Committee in connection with any matter referred to or contemplated in this resolution, be and are hereby approved ratified and confirmed in all respects.”

## NOTES

- In view of the provisions of the Ministry of Corporate Affairs (“MCA”) General Circular No. 02/2022 dated May, 05, 2022, General Circular No. 02/2021 dated January 13, 2021, General Circular No. 20/2020 dated May 5, 2020, General Circular No. 17/2020 dated April 13, 2020 and General Circular No. 14/2020 dated April 8, 2020 (collectively referred as “MCA Circulars”) and Securities and Exchange Board of India Circular No.: SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022, Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 and Circular No. SEBI/HO/CFD/CMD1/ CIR/P/2020/79 dated May 12, 2020 (collectively referred as “SEBI Circulars”) and in compliance with the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), the 15th AGM of the Company is being conducted through VC/OAVM Facility, which does not require physical presence of members at a common venue. The deemed venue for the 15th AGM shall be the Registered Office of the Company.
- Generally, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote instead of himself/ herself and such proxy need not be a Member of the Company. Since this AGM is being conducted through VC / OAVM pursuant to the applicable MCA and SEBI Circulars, physical attendance of Members at a common venue is dispensed with and attendance of the Members through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act. Accordingly, the facility for appointment of Proxy by the Members is not available and hence, the Proxy Form and Attendance Slip including the Route Map of the venue of the AGM are not annexed to this Notice. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the Members may be appointed for the purpose of participation in the 15th AGM through VC/OAVM Facility who can cast their vote through remote e-Voting or e-Voting during the AGM.**
- Statement pursuant to Section 102:** The Statement pursuant to Section 102 of the Companies Act, 2013, setting out the material facts concerning each item of special business to be transacted at the Meeting, being considered unavoidable, is annexed hereto and forms part of this Notice.
- In compliance with MCA and SEBI Circulars, owing to the difficulties involved in dispatching of physical copies of the Annual Report, the Annual Report and Notice of AGM are being sent in electronic mode only to Members whose e-mail address is registered with the Company or the Depository Participant(s). The same is also hosted on the Company’s website [www.brnl.in](http://www.brnl.in) and also on the website of the Stock Exchanges viz., [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com). The relevant details are also hosted on the website of the Agency providing the e-voting facility, viz., KFin Technologies Limited at [https://evoting.kfintech.com/public/ Downloads.aspx](https://evoting.kfintech.com/public/Downloads.aspx).

5. Institutional Investors, who are Members of the Company, are encouraged to attend and vote at the 15th AGM through VC/OAVM mode. Corporate/Institutional Members are required to send a scan of the certified true copy (PDF Format) of the Board Resolution/Authority Letter, etc., authorising their representative to attend the AGM through VC / OAVM on their behalf and to vote through remote e-voting or during the AGM. The said Resolution/Authorisation shall be sent to the Scrutinizer at email id [goenkamohan@gmail.com](mailto:goenkamohan@gmail.com) with a copy marked to [cs@brnl.in](mailto:cs@brnl.in) and [evoting@kfintech.com](mailto:evoting@kfintech.com).
6. Members may join the AGM through VC/OAVM facility by following the procedure as mentioned in this AGM Notice which shall be kept open for the Members from 02:15 P.M. IST i.e. 15 minutes before the time scheduled to start the AGM and the Company may close the window for joining the VC/OAVM facility 15 minutes after the scheduled time to start the AGM. The facility of participation at the AGM through VC/OAVM will be made available to at least 1,000 Members on a first come first served basis as per the MCA Circulars. The detailed instructions for joining the Meeting through VC/OAVM form part of the Notes to this Notice.
7. Large Shareholders (shareholders holding 2% or more shareholding), Promoters, Institutional investors, Directors, Key Managerial Personnel, Chairpersons of the Audit Committee, Nomination & Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. will be allowed to attend the meeting without restriction on account of first-come-first-served-principle.
8. **Registrar & Share Transfer Agents and Depository Participants:** Members holding Shares in physical mode are requested to intimate changes in their address to KFin Technologies Limited, Registrar and Share Transfer Agents (RTA) of the Company, located at Selenium Tower B, Plot No. 31-32, Financial District, Nanakramguda, Hyderabad - 500032. Members holding Shares in electronic mode are requested to send the intimation for change of address and updation of bank account details to their respective Depository Participants. Any such changes effected by the Depository Participants will automatically reflect in the Company's subsequent records.
9. **Nomination Facility:** Members holding shares in the physical form and desirous of making/changing Nomination in respect of their shareholdings in the Company, as permitted under Section 72 of the Companies Act, 2013 and Rules made thereunder, are requested to submit the prescribed Form No. SH-13 and SH-14, as applicable for this purpose, to the Company's Registrar and Share Transfer Agents (RTA), KFin Technologies Limited, who will provide the form on request. Members holding shares in the demat form and desirous of making/changing Nomination in respect of their shareholdings in the Company may please contact their respective Depository Participants.
10. **Go Green Initiative:** The Company is sending Notices for General Meetings, Financial Statements, etc., through e-mail to Members whose e-mail IDs are registered with the RTA/Depository Participants. However, it is noticed that there are Members who have not registered their e-mail IDs with the Company. Consequently, the Company is unable to send communications to them electronically. In compliance with provisions of Rule 18 of the Companies (Management and Administration) Rules, 2014 and applicable provisions of the Companies Act, 2013, Members holding Shares in physical form, if any, are requested to register their e-mail IDs with the Company's Registrar and Share Transfer Agents (RTA), i.e., KFin Technologies Limited and Members holding Shares in demat mode who have still not registered their e-mail IDs are requested to register their e-mail IDs with their respective Depository Participants (DPs). Members whose e-mail IDs have undergone any change or whose IDs require any correction, may kindly update the same with their respective DPs or the RTA, as stated above.
11. **Mandatory PAN Submission:** The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding Shares in electronic form are, therefore, requested to submit their PAN details to the Depository Participants with whom they are maintaining their demat accounts. Members holding Shares in physical form can submit their PAN details to the Company's Registrar and Share Transfer Agents, KFin Technologies Limited.
12. In terms of Regulation 40 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), except in case of transmission or transposition of securities, requests for effecting transfer of securities shall not be processed unless the securities are held in the dematerialized form with a depository. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form, if any, are requested to demat their shares at the earliest.
13. **Unclaimed Dividend:** Members are requested to note that as per Section 124 of the Companies Act, 2013, read with allied Rules, dividend not claimed within seven (7) years from the date of transfer to the Company's Unpaid Dividend Account shall be transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government. Unclaimed Dividend, as per details given in the table below, will be transferred to the IEPF as per the date(s) mentioned in the table. Those

Members who have not, so far, encashed their dividend warrants for any Financial Year are requested to make their claim to the Company's Registrars, KFin Technologies Limited, Selenium Tower B, Plot No. 31-32, Financial District, Nanakramguda, Hyderabad – 500032 or to the Company at its Registered Office, for payment thereof –

Year	Date of Declaration of Dividend	Type	Dividend (%)	Due date for transfer to IEPF
2017-18	2nd November, 2017	Interim	5	4th December, 2024
	28th September, 2018	Final	5	2nd November, 2025
2018-19	14th December, 2019	Final	5	19th January, 2026

It may please be noted that once the unclaimed dividend is transferred to the IEPF, as mentioned above, no claims shall lie against the Company. However, claim can be made from the Fund, in accordance with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2017, as amended, from time to time.

Please note that Section 124(6) of Companies Act, 2013 also provides that all shares in respect of which dividend has not been paid or claimed for seven consecutive years or more shall also be transferred by the Company to IEPF. Hence, it is in the shareholders' interest to claim any uncashed dividends and for future, opt for Electronic Credit of dividend, so that dividends paid by the Company are credited to the investor's account, on time.

Further, any claimant of such shares, as mentioned above, shall be entitled to claim the transfer of shares from the IEPF, following the necessary procedures and on submission of relevant documents.

14. **Inspection of documents by Members:** All relevant documents referred to in the Notice and the Statement pursuant to Section 102 of the Companies Act, 2013, shall be available electronically for inspection without any fees by the Members from the date of circulation of this notice upto the date of the Meeting and also at the Meeting. Members seeking to inspect such documents can send an email to [cs@brnl.in](mailto:cs@brnl.in).

The Register of Directors and Key Managerial Personnel (KMP) and their shareholding, maintained under Section 170 of Companies Act, 2013 and the Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available electronically for inspection by the Members during the Meeting.

Members desirous of obtaining any relevant information with regard to the accounts of the Company or any other matter placed at the Meeting are requested to send their requests in writing at [cs@brnl.in](mailto:cs@brnl.in) to the Company at least 7 (seven) days before the date of the Meeting, so as to enable the Company to keep the information ready.

15. **Subsidiary Accounts:** In accordance with the provisions of Section 136 of the Companies Act, 2013, the Company will provide a copy of separate audited Financial Statement in respect of each of its subsidiary, to any Shareholder of the Company on making requisition to the Company Secretary at the registered office of the Company or vide e-mail at [cs@brnl.in](mailto:cs@brnl.in).

A Statement containing the salient features of the Financial Statements of subsidiaries in Form AOC-1 forms part of the Annual Report of the Company. Further, the Financial Statements of subsidiaries is also available on the website of the Company, [www.brnl.in](http://www.brnl.in).

16. **Voting through electronic means (e-voting)**

- I. **Remote e-voting:** In compliance with the provisions of Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, and the provisions of Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (as amended from time to time), the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by KFin Technologies Limited (Kfintech) on all resolutions set forth in this Notice.

**Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**

In terms of SEBI circular dated December 9, 2020 on "e-voting facility provided by Listed Companies", Individual shareholders holding securities in demat mode are allowed to vote, by way of single login credential, through their demat account maintained with Depository Participants / websites of Depositories in order to increase the efficiency of the voting process. Individual demat account holders would be able to cast their vote without having to register again with the e-voting service provider (ESP) thereby not only facilitating seamless authentication but also ease and convenience of participating in e-voting process. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

**Instructions for remote e-voting for Individual shareholders holding securities in demat form:**

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	<ol style="list-style-type: none"> <li data-bbox="463 220 1300 535">1. If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer / Laptop or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li data-bbox="463 556 1300 638">2. If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select “Register Online for IDeAS “Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li data-bbox="463 660 1300 975">3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com">https://www.evoting.nsdl.com</a> either on a Personal Computer / Laptop or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> </ol>
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> <li data-bbox="463 997 1300 1148">1. Existing user of who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li data-bbox="463 1161 1300 1243">2. After successful login of Easi / Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL, KFINTECH, LINK INTIME, CDSL. Click on e-Voting service provider name to cast your vote.</li> <li data-bbox="463 1255 1300 1312">3. If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li data-bbox="463 1324 1300 1477">4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP where the E Voting is in progress.</li> </ol>
Individual Shareholders (holding securities in demat mode) login through their depository participants	<p data-bbox="463 1497 1300 1692">You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/ CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022- 23058738 or 022-23058542-43.

**Instructions for remote e-voting for shareholders other than individuals viz. institutions/ corporate shareholders and for shareholders holding shares in Physical mode:**

Members whose e-mail IDs are registered with the Company/ RTA / Depository Participant(s), will receive an e-mail from KFintech which will include details of E-Voting Event Number (EVEN), User ID and password. They will have to follow the following process:

- I. Launch internet browser by typing the URL: <https://evoting.kfintech.com>
- II. Enter the login credentials provided in the email and click on Login.
- III. Password change menu appears when you login for the first time with default password. You will be required to mandatorily change the default password.
- IV. The new password should comprise of minimum 8 characters with at least one upper case (A- Z), one lower case (a-z), one numeric value (0-9) and a special character (@, #, \$, etc.).
- V. Update your contact details like mobile number, email address, etc. if prompted. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended not to share your password with any other person and take utmost care to keep it confidential.
- VI. Login again with the new credentials.
- VII. On successful login, the system will prompt you to select the “EVENT” i.e. “Bharat Road Network Limited.
- VIII. On the voting page, enter the number of shares (which represents the number of votes) as on the Cut-off date under “FOR / AGAINST” or alternatively, you may partially enter any number in “FOR” and partially “AGAINST” but the total number in “FOR / AGAINST” taken together shall not exceed your total shareholding as mentioned above. If the member does not indicate either “FOR” or “AGAINST” it will be treated as “ABSTAIN” and the shares held will not be counted under either head.
- IX. Members holding multiple folios may choose to vote differently for each folio / demat account.
- X. You may then cast your vote by selecting an appropriate option and click on “Submit”. A confirmation box will be displayed. Click “OK” to confirm or “CANCEL” to modify. Once you confirm the voting on the resolution, you will not be allowed to modify your vote thereafter. During the voting period, members can login multiple times and vote until they confirm the voting on the resolution by clicking “SUBMIT”.
- XI. Corporate/institutional members (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned image (PDF/ JPG format) of certified true copy of relevant board resolution/authority letter, etc. together with attested specimen signature of the duly authorised signatory(ies) who is/are authorised to vote, to the Scrutiniser through email at [goenkamohan@gmail.com](mailto:goenkamohan@gmail.com) and may also upload the same in the e-voting module in their login. The scanned image of the above documents should be in the naming format ‘BHARAT ROAD NETWORK LIMITED \_EVENT No.’

XII. In case of any queries/grievances, you may refer the Frequently Asked Questions (FAQs) for Members at <https://evoting.kfintech.com/public/Faq.aspx> or call KFintech on 1-800-309-4001 (toll free).

### **Registration of email address and mobile number with the Registrar and Share Transfer Agent (RTA)**

Those members who have not yet registered their email addresses and mobile numbers with the Company/RTA / Depository Participant(s), and consequently the Annual Report, Notice of AGM and e-voting instructions cannot be serviced, are requested to get the same registered with KFintech, by following the procedure mentioned below:

- I. Visit the link: AGM/EGM – Mobile & Email Registration <https://ris.kfintech.com/clientservices/mobileereg/mobileemailreg.aspx>
- II. Select the company name i.e. BHARAT ROAD NETWORK LIMITED
- III. Select the Holding type from the drop down i.e. - NSDL / CDSL / Physical
- IV. Enter DPID – Client ID (in case shares are held in electronic form) / Physical Folio No. (in case shares are held in physical form) and PAN.
- V. If PAN details are not available in the system, the system will prompt to upload a self-attested copy of the PAN card for updating records.
- VI. In case shares are held in physical form and PAN is not available in the records, please enter any one of the Share Certificate No. in respect of the shares held by you.
- VII. Enter the email address and mobile number.
- VIII. System will validate DP ID – Client ID/ Physical Folio No. and PAN / Share certificate No., as the case may be, and send the OTP at the registered Mobile number as well as email address for validation.
- IX. Enter the OTPs received by SMS and email to complete the validation process. OTPs validity will be for 5 minutes only.
- X. The Notice and e-voting instructions along with the User ID and Password will be sent on the email address updated by the member.
- XI. Alternatively, members may send an email request addressed to [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com) along with scanned copy of the request letter duly signed by the first shareholder, providing the email address, mobile number, self-attested copy of PAN and Client Master copy in case shares are held in electronic form or copy of the share certificate in case shares are held in physical form, to enable KFintech to register their email address and to provide them the Notice and the e-voting instructions along with the User ID and Password.
- XII. Please note that in case the shares are held in electronic form, the above facility is only for temporary registration of email address for receipt of the Notice and the e-voting instructions along with the User ID and Password. Such members will have to register their email address with their DPs permanently, so that all communications are received by them in electronic form.
- XIII. In case of queries, members are requested to write to [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com) or call at the toll free number 1-800- 309-4001.

### **I. Voting at e-AGM:**

- i. Only those members/shareholders, who will be present in the e-AGM through video conferencing facility and have not cast their vote through remote e-voting and are otherwise not barred from doing so, are eligible to vote through e-voting at the e-AGM.
- ii. However, members who have voted through remote e-voting will be eligible to attend the e-AGM.
- iii. Members attending the e-AGM shall be counted for the purpose of reckoning the quorum under section 103 of the Act.
- iv. E-voting during the AGM is integrated with the VC / OAVM platform. Upon declaration by the Chairman about the commencement of e-voting at e-AGM, members may click on the voting icon displayed on the screen to cast their votes. The procedure for e-voting during the AGM is same as the instructions mentioned above for remote e-voting since the AGM is being held through VC/ OAVM.



**Other Instructions:**

- a) The remote e-voting period commences on Sunday, 25th September, 2022 at 9:00 A.M. (IST) and ends on Wednesday, 28th September, 2022, at 5:00 P.M. (IST). During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date, i.e., Thursday, 22nd September, 2022, may cast their vote by remote e-voting. Remote e-voting shall not be allowed beyond the said date and time and the remote e-voting facility shall be blocked thereafter. Once the vote on a resolution is cast by the Member through remote e-voting, the Member shall not be allowed to change it subsequently or cast the vote again.
- b) A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories, as on the cut-off date, only shall be entitled to avail the facility of remote e-voting as well as e-voting at the 15th AGM. A person who is not a Member as on the cut-off date should treat this Notice for information purposes only.
- c) In case of any query and/or grievance, in respect of voting by electronic means, Members may refer to the Help & Frequently Asked Questions (FAQs) and E-voting user manual available at the download section of <https://evoting.kfintech.com/public/Downloads.aspx>. or contact Mr. Mohd Mohsin Uddin – Senior Manager (Unit: Bharat Road Network Limited) of KFin Technologies Limited, Selenium Tower B, Plot No. 31-32, Financial District, Nanakramguda, Hyderabad – 500032 or at [evoting@kfintech.com](mailto:evoting@kfintech.com) or call at KFinTech's Toll Free No. 1-800-309-4001, for any further clarifications.
- d) In case a person has become a Member of the Company after dispatch of AGM Notice but on or before the cut-off date, i.e. 22nd September, 2022, he/she may obtain the User ID and Password in the manner as mentioned below:
  - i) If the mobile number of the Member is registered against folio no. / DP ID Client ID, the Member may send SMS: MYEPWD <space> E-Voting Event Number + DP ID Client ID to 9212993399  
Example for NSDL:  
MYEPWD <SPACE> IN12345612345678  
Example for CDSL:  
MYEPWD <SPACE> 1402345612345678  
Example for Physical:  
MYEPWD <SPACE> XXXX1234567890
  - ii). If e-mail address or mobile number of the Member is not registered against Folio No. / DP ID Client ID, then on the home page of <https://evoting.kfintech.com>, the Member may click "Forgot Password" and enter Folio No. or DP ID Client ID and PAN to generate a password.
  - iii). Member may call at KFinTech's Toll Free number 1800-3454-001.
  - iv). Member may send an e-mail request to [evoting@kfintech.com](mailto:evoting@kfintech.com). However, Kfintech shall endeavour to send User ID and Password to those new Members whose e-mail IDs are available.

**17. Instructions for attending/joining the e-AGM:**

- I. Members will be able to attend the e-AGM through VC/OAVM and view the live webcast of e-AGM provided by KFinTech at <https://emeetings.kfintech.com/> by clicking on the tab 'Video Conference' and using their e-voting login credentials. The link for e-AGM will be available in members login where the EVENT and the name of the Company can be selected. Members who do not have User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned above.
- II. Members are encouraged to join the meeting through Laptops / Personal Computer with Google Chrome for better experience.
- III. Further, members will be required to allow camera, if any, and hence use internet with a good speed to avoid any disturbance during the meeting.
- IV. While all efforts will be made to make the VC/OAVM meeting smooth, participants connecting through mobile devices, tablets, laptops, etc. may, at times, experience audio/video loss due to fluctuation in their respective networks. Use of a stable Wi-Fi or LAN connection can mitigate some of the technical glitches.

- V. Members, who would like to express their views or ask questions during the e-AGM will have to register themselves as a speaker by visiting the URL <https://emeetings.kfintech.com/> and clicking on the tab 'Speaker Registration' during the period starting from Sunday, 25th September, 2022 at 9:00 A.M. (IST) and ends on Wednesday, 28th September, 2022, at 5:00 P.M. (IST). Only those members who have registered themselves as a speaker will be allowed to express their views/ask questions during the e-AGM.
- VI. The Company reserves the right to restrict the number of speakers depending on the availability of time for the e-AGM.
- VII. A video guide assisting the members attending e-AGM either as a speaker or participant is available for quick reference at <https://emeetings.kfintech.com/>
- VIII. Members who need technical assistance before or during the 15th e-AGM can contact KFinTech at [emeetings@kfintech.com](mailto:emeetings@kfintech.com) or helpline – 1800 309 4001.
18. The Chairman shall formally propose to the members participating through VC/OAVM facility to vote on the resolutions as set out in the Notice of the 15th AGM and announce the start of the casting of vote through the e-voting system of KFin Technologies Limited.
19. **Scrutinizer:** The Company has appointed Mr. Mohan Ram Goenka, Practicing Company Secretary (FCS No.: 4515 and CP No.: 2551) of M/s. M. R. & Associates, Practicing Company Secretaries, as Scrutinizer for conducting the voting process (both remote e-voting and e-voting at the AGM) in a fair and transparent manner.
20. **Declaration of Results:** The Scrutinizer shall immediately after the conclusion of voting at the Meeting, first count the votes cast at the Meeting, thereafter, unblock the votes cast through e-voting in the presence of at least two witnesses, who are not in the employment of the Company and within a period not exceeding 3 (three) days from the conclusion of the meeting make a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or person authorized by the Chairman for counter signature.
- The Results shall be declared either by the Chairman or by a person authorised by him and the resolution will be deemed to have been passed on the AGM date subject to receipt of the requisite number of votes in favour of the Resolution(s).
- Further, in accordance with Regulation 44(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company shall submit to the Stock Exchanges, details of the voting results, in the prescribed format, within 48 (forty-eight) hours of conclusion of the Meeting.
- Immediately after declaration of results, the same shall be placed along with the Scrutinizer's Report, on the Company's website [www.brnl.in](http://www.brnl.in) and on the website of Kfintech at [www.kfintech.com](http://www.kfintech.com) and shall also be communicated to the BSE Limited and National Stock Exchange of India Limited, where the Equity Shares of the Company are listed, for placing the same on their website. The results shall also be placed on the notice board of the Company at its Registered Office.
21. **Distribution of Gifts:** In conformity with regulatory requirements, the Company will **NOT** be distributing any gift, gift coupons or cash in lieu of gifts at the AGM or in connection therewith.
22. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned DPs and holdings should be verified from time to time.
23. **Information of Directors pursuant to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard – 2 on General Meeting:** At the 15th AGM of the Company, Mr. Bajrang Kumar Choudhary (DIN: 00441872), Managing Director, retires by rotation pursuant to the provisions of Section 152 of the Companies Act, 2013 ("Act"), read with Companies (Appointment and Qualification of Directors) Rules, 2014 and being eligible, seeks re-appointment. His re-appointment as a Managing Director for a term of 3 years w.e.f. 1st November, 2022 is also being proposed at the 15th AGM of the Company.

Further, pursuant to the provisions of Section 149, 152, 161 and all other applicable provisions of the Companies Act, 2013, Mr. Rakesh Kumar Gupta (holding DIN: 06806891) is being proposed to be appointed as Non-Executive Non Independent Director of the Company.

Pursuant to Regulation 36(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Para 1.2.5 of Secretarial Standard – 2 on General Meeting, the particulars of the aforesaid Director(s) seeking appointment / re-appointment at the AGM are given below:

Name of Director	Mr. Bajrang Kumar Choudhary (DIN: 00441872)	Mr. Rakesh Kumar Gupta (DIN:06806891)
Date of Birth	22/06/1968 (Age 54 years)	23/01/1961 (Age 61 years)
Date of Appointment on the Board	23/03/2011 (Designated as Managing Director of the Company, for a period of 3 years, w.e.f 1st November, 2016. Re-appointed as the Managing Director of the Company, for a period of 3 years w.e.f 1st November, 2019) (Proposed to be re-appointed as the Managing Director of the Company, for a period of 3 years w.e.f 1st November, 2022)	18/08/2022
Brief Resume and Expertise in specific functional areas	He is a former Chief Executive Officer - Infrastructure Project Development - Srei Infrastructure Finance Limited, managing portfolio investments across Roads, Ports, Water and Economic Zones. He has previously served as the "Chairman- Expert Committee on Infrastructure" of Indian Chamber of Commerce. He has an experience of over two decades in Infrastructure Asset Management, Project Development, Project Implementation, Private Equity and M&A.	He has been an Indian Police Service (IPS) Officer of 1986 batch, West Bengal Cadre and he retired in January, 2021 in the rank of Director General of Police as Head of Directorate of Anti-Corruption Branch, West Bengal. During the service period of about 35 years, he has worked in positions involving administration & governance, law, public service, management, science & technology, coordination & liaison, quasi-judicial functions as Enquiring Officer. He was a Director on the Board of Kolkata Police Housing and Infrastructure Development Corporation Limited and West Bengal Police Housing & Infrastructure Development Corporation Limited.
Qualification	He has completed his Bachelor of Commerce from Shriram College of Commerce, New Delhi and he is an Associate Member of The Institute of Chartered Accountant of India (ICAI).	He has completed his B. Tech, 1981 from Delhi College of Engg., Delhi University
List of outside directorship held	NIL	NIL
Names of listed entities in which the person also holds the directorship	Bharat Road Network Limited	Bharat Road Network Limited
Chairman/Member of the Committees of Board of Directors of the Company	<ul style="list-style-type: none"> <li>Stakeholder Relationship Committee – Member</li> <li>Corporate Social Responsibility Committee – Member</li> <li>Committee of Directors– Chairman</li> </ul>	NIL
Membership / Chairmanship of Committees of other Boards	NIL	NIL
Name of the listed entities from which the person has resigned in the past three years	NIL	NIL
Shareholding in the Company, including shareholding as a beneficial owner	9,589 Equity Shares	NIL
Relationship with other Directors, Managers and other Key Managerial Personnel (KMP)	Not related with any of the Directors and KMP of the company.	Not related with any of the Directors and KMP of the company.

Name of Director	Mr. Bajrang Kumar Choudhary (DIN: 00441872)	Mr. Rakesh Kumar Gupta (DIN:06806891)
No. of Board Meetings attended during the Financial Year 2021-22 [out of 4 (four) Board Meetings held]	Four	*NIL
Terms and conditions of Appointment or Re-appointment	In accordance with the Agreement executed between Mr. Bajrang Kumar Choudhary and the Company.	Liable to retirement by rotation
Details of remuneration sought to be paid and the remuneration last drawn	Remuneration last drawn - Rs. 95,93,580 The Remuneration to be paid to Mr. Choudhary shall be in accordance with the Agreement executed between Mr. Bajrang Kumar Choudhary and the Company subject to the recommendation of Nomination and Remuneration Committee and approval of the Board of Directors and Shareholders from time to time.	Mr. Rakesh Kumar Gupta shall be entitled to sitting fees for attending meetings of the Board and Committees thereof as may be approved by the Nomination and Remuneration Committee and / or the Board of Directors of the Company, from time to time.

*\*appointed w.e.f. 18th August, 2022*

Date : 19.08.2022  
Place : Kolkata

By Order of the Board  
For **Bharat Road Network Limited**  
**Naresh Mathur**  
Company Secretary  
FCS-4796

**STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013:****Item No. 3:**

The Members at the Tenth Annual General Meeting (“AGM”) of the Company held on December 16, 2017, had approved the appointment of Messers S.S. Kothari Mehta & Co., Chartered Accountants (Firm Registration No.: 000756N), as Statutory Auditors of the Company, to hold office till the conclusion of the Fourteenth AGM of the Company.

After evaluating and considering various factors such as industry experience, competency of the audit team, efficiency in conduct of audit, independence, etc., the Board of Directors of the Company has, based on the recommendation of the Audit Committee, at its meeting held on May 30, 2022, proposed the re-appointment of Messers S.S. Kothari Mehta & Co., Chartered Accountants (Firm Registration No.: 000756N), as the Statutory Auditors of the Company, for a second term of five consecutive years from the conclusion of 15th AGM till the conclusion of 20th AGM of the Company, at a remuneration as may be mutually agreed between the Board of Directors and Statutory Auditors, on the recommendation of the Audit Committee.

Messers S.S. Kothari Mehta & Co., have consented to their appointment as Statutory Auditors and have confirmed that if appointed, their appointment will be in accordance with Section 139 read with Section 141 of the Act. Messers S.S. Kothari Mehta & Co. is registered in New Delhi and Kolkata and conducts audit of various companies listed on stock exchanges in India.

Messers S.S. Kothari Mehta & Co., were paid a fee of Rs. 26.93 Lakhs for the audit of standalone and consolidated financial statements of the Company for the financial year ended March 31, 2022, certification and other services and out of pocket expenses.

The increase in fees to be paid to Messers S.S. Kothari Mehta & Co. if any, for their second term will be mutually agreed, basis the efforts involved and shall be reasonable to commensurate with the overall responsibilities assigned to them from time to time.

The Board, in consultation with the Audit Committee shall approve revisions in the remuneration of the Statutory Auditors. Besides the audit services, the Company would also obtain certifications from the Statutory Auditors under various statutory regulations and certifications required by clients, banks, statutory authorities, audit related services and other permissible non audit services as required from time to time, for which they will be remunerated separately on mutually agreed terms, as approved by the Board in consultation with the Audit Committee.

The Board, in consultation with the Audit Committee, may alter and vary the terms and conditions of re-appointment, including remuneration, in such manner and to such extent as may be mutually agreed with the Statutory Auditors.

The Board recommends the Ordinary Resolution set out at Item No. 3 of the Notice for approval by the Members.

None of the Directors and Key Managerial Personnel of the Company or their relatives is, in any way, concerned or interested in in the Resolution set out at Item No. 3 of the Notice.

**Item No. 4:**

Mr. Bajrang Kumar Choudhary (DIN – 00441872) was initially appointed as the Director of the Company w.e.f. 23rd March, 2011. He was elevated to the post of Managing Director of the Company w.e.f. 1st November, 2016 for a period of 3 years (upto 31st October, 2019) with the approval of Members of the Company in accordance with applicable provisions of Section 196, 197, 198 and Schedule V of the Companies Act 2013. He was further re-appointed as the Managing Director for a term of 3 years w.e.f. 1st November, 2019 and his tenure is coming to an end on 31st October, 2022.

Mr. Bajrang Kumar Choudhary is a qualified Chartered Accountant with over two decades of experience in infrastructure asset management, project development, project implementation, private equity and M&A. He has completed his Bachelor of Commerce from Shriram College of Commerce, New Delhi and he is an Associate Member of the Institute of Chartered Accountants of India. He is a former Chief Executive Officer - Infrastructure Project Development of Srei Infrastructure Finance Limited, managing portfolio across Roads, Ports, Water and Economic Zones. He has previously served as the “Chairman- Expert Committee on Infrastructure” of Indian Chamber of Commerce.

Mr. Choudhary has rich and varied experience in the industry and has been involved in successfully managing the operations of the Company. It would be therefore in the interest of the Company to continue to avail of his considerable expertise for the growth of Company’s Business and Operations.

Hence, considering the dedicated and meritorious services rendered by Mr. Bajrang Kumar Choudhary towards the growth of the Company and his contribution to the overall progress of the Company, and since his tenure shall come to an end on 31st October, 2022, the Board of Directors of the Company has, at their meeting held on August 13, 2022 at the recommendation of Nomination and Remuneration Committee, re-appointed him as the Managing Director of the Company in whole time capacity, his office being

liable to retire by rotation, on remuneration and other terms and conditions mentioned in the resolution for a further period of 3 (three) years beginning from November 01, 2022 till October 31, 2025 subject to approval of the Members of the Company and all such statutory approvals as may be required.

The Board of Directors of the Company considers that the appointment of Mr. Bajrang Kumar Choudhary as Managing Director of the Company in whole time capacity is in the best interests of the Company.

Pursuant to Section 190 of the Companies Act, 2013, a copy of the draft Agreement proposed to be entered into between the Company and Mr. Bajrang Kumar Choudhary is available for inspection without any fee by the Members at the Registered Office of the Company on all working days except, Saturday, Sunday and public holidays, between 11:00 a.m. and 1:00 p.m. upto the date of the AGM.

Mr. Bajrang Kumar Choudhary and his relatives may be deemed to be concerned or interested in the proposed Resolution in so far as it relates to his own appointment and remuneration.

Mr. Bajrang Kumar Choudhary holds 9,589 equity shares of face value of Rs. 10 each in the Company and is not related to other Directors or Key Managerial Personnel of the Company.

Pursuant to Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Para 1.2.5 of Secretarial Standard – 2 on General Meetings, requisite particulars for Mr. Bajrang Kumar Choudhary forms part of this AGM Notice.

None of the other Directors or Key Managerial Personnel (KMPs) of the Company either directly or through their relatives are, in any way, concerned or interested, whether financially or otherwise, in the proposed Resolution, except to the extent of their shareholding, if any, in the Company.

The following additional information as required under Schedule V of the Companies Act, 2013 is given below:

**I. General Information:**

(1) Nature of industry	Infrastructure (Roads and Highways)																																		
(2) Date or expected date of commencement of commercial production	Not Applicable																																		
(3) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable																																		
(4) Financial performance based on given indicators	<p><b>Standalone Financial Results:</b></p> <p style="text-align: right;">(Rs. In Lakh)</p> <table border="1"> <thead> <tr> <th>Particulars</th> <th>2021-22</th> <th>2020-21</th> <th>2019-20</th> </tr> </thead> <tbody> <tr> <td>Profit / (Loss) after Tax</td> <td>(32,220.07)</td> <td>(3,089.13)</td> <td>225.26</td> </tr> <tr> <td>Earnings Per Share (Rs.)</td> <td>(38.38)</td> <td>(3.68)</td> <td>0.27</td> </tr> <tr> <td>Turnover</td> <td>9,565.16</td> <td>3,098.56</td> <td>1,741.35</td> </tr> </tbody> </table> <p><b>Consolidated Financial Results:</b></p> <p style="text-align: right;">(Rs. In Lakh)</p> <table border="1"> <thead> <tr> <th>Particulars</th> <th>2021-22</th> <th>2020-21</th> <th>2019-20</th> </tr> </thead> <tbody> <tr> <td>Profit / (Loss) after Tax</td> <td>(38,866.79)</td> <td>(11,881.72)</td> <td>(1,293.23)</td> </tr> <tr> <td>Earnings Per Share (Rs.)</td> <td>(46.30)</td> <td>(14.15)</td> <td>(1.54)</td> </tr> <tr> <td>Turnover</td> <td>22,672.53</td> <td>24,495.79</td> <td>32,849.29</td> </tr> </tbody> </table>			Particulars	2021-22	2020-21	2019-20	Profit / (Loss) after Tax	(32,220.07)	(3,089.13)	225.26	Earnings Per Share (Rs.)	(38.38)	(3.68)	0.27	Turnover	9,565.16	3,098.56	1,741.35	Particulars	2021-22	2020-21	2019-20	Profit / (Loss) after Tax	(38,866.79)	(11,881.72)	(1,293.23)	Earnings Per Share (Rs.)	(46.30)	(14.15)	(1.54)	Turnover	22,672.53	24,495.79	32,849.29
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(5) Foreign investments or collaborations, if any.	The Company does not have any Foreign investments or collaborations																																		

**II. Information about the appointee:**

(1) Background details	He is former Chief Executive Officer - Infrastructure Project Development - Srei Infrastructure Finance Limited, managing portfolio investments across Roads, Ports, Water and Economic Zones. He has previously served as the "Chairman- Expert Committee on Infrastructure" of Indian Chamber of Commerce. He has an experience of over two decades in Infrastructure Asset Management, Project Development, Project Implementation, Private Equity and M&A.
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(2) Past remuneration	The remuneration paid to Mr. Bajrang Kumar Choudhary for the FY 2021-22 was Rs. 1,22,18,568.
(3) Recognition or awards	He has previously served as the "Chairman- Expert Committee on Infrastructure" of Indian Chamber of Commerce.
(4) Job profile and his suitability	He has served as the Chief Executive Officer - Infrastructure Project Development - Srei Infrastructure Finance Limited, managing portfolio investments across Roads, Ports, Water and Economic Zones. Considering his job profile, knowledge of various aspects relating to Company's affairs and long business experience, Mr. Bajrang Kumar Choudhary is suitable for the role of Managing Director.
(5) Remuneration proposed	Details of the remuneration proposed to be paid to Mr. Bajrang Kumar Choudhary forms part of Resolution No. 4 of this AGM Notice.
(6) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	Taking into consideration the size of the Company, the profile, knowledge, skills and responsibilities shouldered by Mr. Bajrang Kumar Choudhary, the remuneration proposed to be paid is commensurate with the remuneration packages paid to his similar counterparts in other companies.
(7) Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.	Besides the remuneration proposed to be paid, Mr. Bajrang Kumar Choudhary does not have any other pecuniary relationship directly or indirectly with the Company or relationships with any other managerial personnel.
<b>III. Other information:</b>	
(1) Reasons for loss or inadequate profits	<p>Your Company is engaged in highway concession business and its profitability and revenue would remain periodic depending upon the performance of its Project SPVs and its cash flows, business, results of operations and financial condition.</p> <p>During the financial year 2021-22, on a standalone basis, your Company suffered Net Loss before tax of Rs. 34,114.32 Lakhs primarily due to write off of equity/loans in its Associate Company, Ghaziabad Aligarh Expressway Pvt Limited ("GAEPL") upon sale of your Company's stake in GAEPL.</p> <p>Your company intends to garner more revenue and return in the FY 2022-23 from its major operations viz. Project Management Consultancy (PMC); Financial Consultancy; Contracts for Operations and Maintenance Services, Toll Management Services, Repair and Major Maintenance Work, Claim Management Services, Insurance Management Services, Debt Syndication, detailed Engineering and Design Services, Legal Advisory Services etc.</p>
(2) Steps taken or proposed to be taken for improvement	
(3) Expected increase in productivity and profits in measurable terms	
<b>IV. Disclosures under Corporate Governance section</b>	
<ul style="list-style-type: none"> <li>all elements of remuneration package such as salary, benefits, bonuses, stock options, pension, etc., of all the directors;</li> <li>details of fixed component and performance linked incentives along with the performance criteria;</li> <li>service contracts, notice period, severance fees; and</li> <li>stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable.</li> </ul>	The information and disclosures of the remuneration package of the managerial personnel has been mentioned in the Corporate Governance Report forming part of the Annual Report for the FY 2021-22

The Directors, therefore, recommend the Resolution to be passed as a Special Resolution by the Members.

#### Item No. 5:

Upon the recommendation of the Nomination and Remuneration Committee, Mr. Rakesh Kumar Gupta was appointed as an Additional Director (Category: Non-Executive and Non-Independent) of the Company by the Board of Directors w.e.f. 18th August, 2022, pursuant to the provisions of Section 161 of the Companies Act, 2013 and holds office upto the date of this Annual General Meeting.

Mr. Rakesh Kumar Gupta has been an Indian Police Service (IPS) Officer of 1986 batch, West Bengal Cadre and he retired in January, 2021 in the rank of Director General of Police as Head of Directorate of Anti-Corruption Branch, West Bengal. During the service period of about 35 years, he has worked in positions involving administration & governance, law, public service, management,



science & technology, coordination & liaison, quasi-judicial functions as Enquiring Officer. He was a Director on the Board of Kolkata Police Housing and Infrastructure Development Corporation Limited and West Bengal Police Housing & Infrastructure Development Corporation Limited. He had won awards like: (i) President Police Medal for Distinguished Services in 2011 and (ii) President Police Medal for Meritorious Services in 2002.

In view of the extensive and rich experience of Mr. Rakesh Kumar Gupta, and considering the best interests of the Company, it is proposed to appoint him as a Non-Executive and Non-Independent Director of the Company.

The Company has received a Notice in writing under the provisions of Section 160 of the Companies Act, 2013, proposing the candidature of Mr. Rakesh Kumar Gupta for the office of Director.

The Company has received from Mr. Rakesh Kumar Gupta -

- (i) Consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules, 2014,
- (ii) Intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules 2014, to the effect that he is not disqualified under Section 164(2) of the Companies Act, 2013, and
- (iii) List of relatives and other related disclosures.

In the opinion of the Nomination and Remuneration Committee and the Board of Directors of the Company, Mr. Rakesh Kumar Gupta fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as a Non-Executive and Non-Independent Director of the Company, liable to retirement by rotation. Mr. Rakesh Kumar Gupta shall be entitled to sitting fees for attending meetings of the Board and Committees thereof of which he is or will be a Member / Chairman as may be approved by the Board of Directors of the Company, from time to time provided that the same is within the overall limits specified under the relevant provisions of the Companies Act, 2013.

The Board of Directors is of the opinion that the professional expertise and vast experience of Mr. Rakesh Kumar Gupta will be of significant value to the Company.

The Directors, therefore, recommend the Resolution to be passed as an Ordinary Resolution by the Members. Mr. Rakesh Kumar Gupta and his relatives may be deemed to be concerned or interested in the proposed Resolution in so far as it relates to his own appointment.

None of the other Directors or Key Managerial Personnel (KMPs) of the Company either directly or through their relatives are, in any way, concerned or interested, whether financially or otherwise, in the proposed Resolution.

#### **ITEM NO. 6:**

Your Company is a road Build-Operate-Transfer (BOT) Company in India, focused on development, implementation, operation and maintenance of Roads/Highways projects. The Company submits proposals/bids for various projects on BOT model taking into account various parameters/factors. The technical bids and financial bids are validated considering contemporary competitive market forces. The Projects are awarded by NHAI floating the tender based on the most competitive offer submitted by the bidders. As a thumb rule, the lowest bidder is the successful bidder.

When projects are awarded, the Company has the obligation to incorporate a Special Purpose Vehicle (SPV) as the project is mandatorily required to be executed through a SPV as per the requirement under the Concession Agreement. These SPVs are considered as related parties as defined under the Companies Act, 2013, SEBI Listing Regulations, 2015 and/or any other Statutory Regulations, and may be the subsidiaries, joint ventures or associate companies. The SPV draws technical, financial and project skill sets from the Company to implement the concessions / projects and therefore a significant value of the transactions that the Company enters into as part of its business activities are with related parties. Therefore, the transactions with related parties are an essential part of the business activities of the Company and its SPVs without which the Company will not be in a position to execute the projects / concessions awarded to the Company.

Further, apart from investing in/financing its SPVs, the Company performs a range of Project Management functions, including design, Engineering, Procurement and Construction (EPC) Management and quality control. The Company also provides advisory

services such as Project Management Consultancy, Operation and Management of the projects during the entire life cycle of the projects, Major Maintenance and repair work, Financial Consultancy, including Debt Syndication, Refinancing and Financial Restructuring of projects. These activities and services are primarily for these SPVs.

Considering the business model and concession requirements, complexity, volume, monetary commitment and frequency of the transactions between the Company and its related parties, the Board of Directors, by way of good Corporate Governance and by way of abundant caution, considers it expedient and necessary to seek approval of the Shareholders for entering into and executing such transactions with related parties irrespective of the same being at Arm's Length, ordinary course of business or Material Related Party Transactions since transactions with Related Parties constitute almost all the transactions entered into by the Company, although they have been generally found to be at Arm's Length and in the ordinary course of business.

Pursuant to Section 188 of the Companies Act, 2013 ("the Act"), read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 ("Rules"), as amended from time to time, the Company is required to obtain consent of the Board and prior approval of the Shareholders by ordinary resolution in case certain Related Party Transactions exceed such sum as specified in such rules. The aforesaid provisions are not applicable in respect of transactions entered into by the Company in the ordinary course of business and on an arm's length basis.

Further, the Securities and Exchange Board of India ("SEBI") has notified SEBI (Listing Obligations and Disclosure Requirements) (Sixth Amendment) Regulations, 2021 ("Amendments") introducing amendments to the provisions pertaining to the Related Party Transactions under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") effective from April 1, 2022. The aforesaid amendments inter-alia include replacing of current threshold i.e. 10% (ten percent) of the listed entity's consolidated turnover, for determination of material Related Party Transactions requiring prior Shareholders' approval, with the threshold of lower of Rs. 1,000 crore (Rupees One thousand crore) or 10% (ten percent) of the annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity.

Therefore, even if Material Related Party Transactions if any, are entered into in the ordinary course of business and on arm's length basis, consent of the Shareholders by way of ordinary resolution shall be required for ratification / approval for these Material RPTs under SEBI (LODR) Regulations, 2015.

The amended Regulation 2(1)(zc) of the SEBI Listing Regulations has also enhanced the definition of related party transaction which now includes a transaction involving a transfer of resources, services or obligations between a listed entity or any of its subsidiaries on one hand and a related party of the listed entity or any of its subsidiaries on the other hand, regardless of whether a price is charged or not.

The Annual consolidated turnover of the Company as per the last audited financial statements for the Financial Year ended 31st March, 2022 aggregates to Rs. 216.40 crores. Currently, it cannot be ascertained if the proposed transactions with the related parties during the period 1st October, 2022 to 30th September, 2023 can be material related party transactions, may exceed the threshold limit as prescribed under Regulation 23 of SEBI Listing Regulations, 2015. However the Company finds it prudent to obtain Shareholders approval as a matter of abundant caution.

The Management has provided the Audit Committee with the relevant details, as required under law, of the proposed RPTs including material terms and basis of pricing. The Audit Committee, after reviewing all necessary information, has granted approval for entering into the said RPTs with its Related Parties. The Committee has noted that the said transactions have been generally found to be at Arm's Length and in the ordinary course of business by the Audit Committee on the basis of its examination and certification received from the Chief Financial Officer of the Company.

Accordingly, basis the approval of the Audit Committee, the Board of Directors hereby recommend the resolution contained in Item No. 6 of the accompanying Notice to the shareholders for approval.

Information pursuant SEBI circular No. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated November 22, 2021 and Companies Act, 2013 read with the Companies (Meeting of Board and its Power) Rules, 2014 (as amended from time to time) to be provided to the shareholders for consideration of proposed RPTs are as hereunder:

(in Cr.)

Name of the related party	Solapur Tollways Private Limited	Orissa Steel Expressway Private Limited	Guruvayoor Infrastructure Private Limited	Mahakaleshwar Tollways Private Limited	Kurukshetra Expressway Private Limited	Palma Gumla Highway Private Limited
Relationship with the Company	Subsidiary			Associate		
Type, material terms and particulars of the Proposed transactions	<ol style="list-style-type: none"> <li>1) Sponsor/Promoter Funding in the form of secured/unsecured loan to meet the obligations cast under the Financing Documents entered into by the Special Purpose Vehicles (SPVs) with its lenders for meeting the short term/long term funds/ working capital requirements</li> <li>2) Corporate Guarantee / comfort letters / Sponsor Support Undertakings given by the Company for its SPVs;</li> <li>3) Creation of pledge/hypothecation / mortgage / any other encumbrance on the assets of the Company for the SPVs</li> <li>4) Giving of Loans /Inter Corporate Deposits (ICDs) / advances to SPVs;</li> <li>5) Investment as Sponsor or otherwise, by way of subscription towards equity capital and/or securities (debt /equity / quasi equity) of the SPV including but not limited to Debentures of any nature and form, Warrants etc.;</li> <li>6) Project Management Consultancy (PMC); Financial Consultancy; Contracts for Operations and Maintenance Services, Toll Management Services, Repair and Major Maintenance Work, Claim Management Services, Insurance Management Services, Debt Syndication, detailed Engineering and Design Services, Legal Advisory Services etc;</li> <li>7) Reimbursement of expenses for sharing/usage of each other's resources including but not limited to employees, office space, infrastructure including IT assets, etc.</li> <li>8) Transfer or exchange of any resources, services or obligations to meet its business objectives, regardless of whether a price is charged; and</li> <li>9) Any other transaction as approved by the Audit Committee from time to time.</li> </ol>					
Tenure of the proposed transaction	12 months (from 1st October, 2022 to 30th September, 2023)					
Value of the proposed transaction	95.00	2.00	88.00	1.00	1.50	3.00
Percentage of the listed entity's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction	43.90%	0.92%	40.67%	0.46%	0.69%	1.39%
percentage calculated on the basis of counter party's / subsidiary's annual turnover on a standalone basis	100.84%	2941.00%	72.12%	4.83%	8.22%	Not Applicable
Justification as to why the RPT is in the interest of the listed entity	<p>Firstly, infrastructure projects often has to face project delays emanating out of land acquisitions issues, delay in environment and forest clearances which leads into the cost overrun aggravating liquidity crunch. In such a scenario, as per the terms of most of the financing agreements for infrastructure projects under Public Private Partnership (PPP) Model, the Sponsors/Parent Company are required to provide Sponsor Support Undertaking for arrangement of funds in the event of cashflow mismatch to meet any cost overrun, shortfall in O&amp;M and major maintenance costs, and gaps in outstanding debt obligations, by way of either short term / long term Loans /Inter Corporate Deposits (ICDs) / advances to SPVs / execution of sponsor or promoter undertakings / corporate guarantee / comfort letters in relation to prescribed equity contributions and also for meeting payment obligations in the event of termination of the concession agreement.</p> <p>As the Sponsor of the projects, the Company is obligated to support the SPVs to complete the SPV's project to fulfill the obligations towards Concession Agreement and Lenders agreement. For the said obligation, the Company charges Corporate Guarantee Commission towards Corporate Guarantee given by the Company to Banks /Financial Institutions to secure the credit facilities availed/ to be availed by SPVs. For these reasons only, at times pledge/hypothecation / mortgage / any other encumbrance on the assets of the Company is required to be created for the SPVs.</p>					

Name of the related party	Solapur Tollways Private Limited	Orissa Steel Expressway Private Limited	Guruvayoor Infrastructure Private Limited	Mahakaleshwar Tollways Private Limited	Kurukshetra Expressway Private Limited	Palma Gumla Highway Private Limited
	<p>Secondly, the Company possess deep domain knowledge and expertise to undertake and provide Project Management Consultancy (PMC), Financial Consultancy, Contracts for Operations and Maintenance Services, Toll Management Services, Repair and Major Maintenance Work, Claim Management Services, Insurance Management Services, Debt Syndication, detailed Engineering and Design Services, Legal Advisory Services in the ordinary course of business and therefore Company also offers and provides such services at a competitive pricing to its subsidiaries and associates for efficient routine road maintenance and toll operations.</p> <p>Thirdly, the Company often adopts shared services pricing model for operational efficiency and value optimization. The Company could therefore also levy fees and recover any incurred costs on account of providing shared services for manpower, IT, payroll, HR, legal, claim management and arbitration.</p>					
Details of the source of funds in connection with the proposed transaction relating to any loans, inter-corporate deposits, advances or investments made or given by the listed entity	Internal accruals of the Company					
Where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments, <ul style="list-style-type: none"> <li>• nature of indebtedness;</li> <li>• cost of funds;</li> <li>• tenure</li> </ul>	Not Applicable					
Applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security	<p>Unsecured loans / advances / sponsor funding as a part of financing agreements for infrastructure projects under Public Private Partnership (PPP) Model.</p> <p>Interest Rate: interest free or with a fixed yield to be paid in the event of sufficient residual cashflows available with the SPV after servicing debt of the senior lenders and other commitments.</p> <p>Repayment of sponsor / promoter funding depends upon the terms and conditions stipulated by banks / financial institutions under the financing agreements.</p>					
The purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the RPT	Project completion by SPV as per Concession Agreement signed with NHAI	For meeting operational and legal expenses	For Major Maintenance and Repair (MMR) Work	For meeting operational and legal expenses	For meeting operational and legal expenses	Project completion by SPV as per Concession Agreement signed with NHAI
A copy of the valuation or other external party report, if any such report has been relied upon	Not Applicable					
Any other information that may be relevant	Since it is not possible to predict the exact amount of the transaction(s) / contract(s) / arrangement(s), enabling approval of shareholders is being sought.					

None of the other Directors and Key Managerial Personnel of the Company and their relatives are in any way, concerned or interested, financially or otherwise, in the proposed resolution, except to the extent of their directorship/shareholding, if any, in the Company as mentioned hereunder:

Sl. No.	Name of the Related Party	Name of the Director or Key Managerial Personnel (KMP), who is related, if any	Nature of relationship in related parties
1.	Solapur Tollways Private Limited (STPL)	*Prof. Santanu Ray	Director
2.	Guruvayoor Infrastructure Private Limited (GIPL)	Dr. (Ms.) Tuk Tuk Ghosh Kumar *Mr. Arindam Bhowmick ®Mr. Praful Tayal	Director / KMP (CFO)
3.	Mahakaleshwar Tollway Private Limited (MTPL)	-	-
4.	Orissa Steel Expressway Private Limited (OSEPL)	*Mr. Naresh Mathur	^KMP (CS)
5.	Kurukshetra Expressway Private Limited (KEPL)	-	-
6.	Palma Gumla Highway Private Limited	-	-

\*Appointed as a Director w.e.f. 02.08.2022

\*\*Appointed as the Chief Financial Officer w.e.f. 10.09.2020 in GIPL

@Appointed as a Director w.e.f. 21.06.2021 in GIPL

^Appointed as Company Secretary in OSEPL w.e.f. 18.06.2020

As explained above, approval is being sought for such contract(s)/arrangement(s)/agreement(s)/transactions proposed to be entered into by the Company with its Related Parties during the period 1st October, 2022 to 30th September, 2023 whether or not, such transactions are in the ordinary course of business and at arm's length basis or not.

The Board recommends the Ordinary Resolution set out at Item No. 6 of the Notice for approval of the Shareholders.

For the purpose of this resolution, all the entities falling under the definition of related parties shall not vote to approve the relevant transaction, irrespective of whether the entity is a party to the particular transaction or not.

Date : 19.08.2022

Place : Kolkata

By Order of the Board  
For **Bharat Road Network Limited**

**Naresh Mathur**  
Company Secretary  
FCS-4796