

PATNA HIGHWAY PROJECTS LIMITED

DIRECTORS' REPORT

To
The Members,
Patna Highway Projects Limited

Your Directors have pleasure in presenting the Tenth Annual Report together with the Audited Financial Statements and the Auditors Report for the year ended 31st March 2019 ("Financial Year").

1. PROJECT STATUS:																	
	<p>Your Company was awarded the Project for the design, construction, finance & maintenance of a 63.17 km long four - lane dual carriageway on NH-77, which includes new bypass of 16.87 km connecting NH-28 in the State of Bihar on BOT (Annuity) basis ("Project"), which is presently under implementation and is partly completed.</p> <p>The concession is for a period of 15 years, including 2.5 years of construction period and shall be ending in August 2025. The Company will receive an annuity payment of Rs. 9,460 lakhs semi-annually, from National Highways Authority of India (NHAI), during the entire operations period. The total project cost is estimated at Rs. 153,517 lakhs.</p> <p>The EPC contract for the project was awarded to Gammon India Limited. The Project has been delayed on account of non-availability of Right of Way (ROW) over certain portions of the Project highway. The Provisional Commercial Operation Date (PCOD) was obtained on 1st September 2016 for the Project stretch from km. 1.000 to km. 41.500 excluding stretch from km. 9.400 to km. 10.600. Your Company has received 4 (four) annuity payments since PCOD amounting Rs. 306.10 crores (net).</p>																
2. FINANCIAL RESULTS	(Rs. in Lakhs)																
	<table border="1"><thead><tr><th>Particulars</th><th>FYE 31st March 2019</th><th>FYE 31st March 2018</th></tr></thead><tbody><tr><td>Total Income</td><td>13,922.89</td><td>16,357.21</td></tr><tr><td>Profit / (Loss) before Tax</td><td>(1,158.90)</td><td>(15.10)</td></tr><tr><td>Tax Expenses</td><td>(149.91)</td><td>Nil</td></tr><tr><td>Profit / (Loss) after Tax</td><td>(1,008.99)</td><td>(15.10)</td></tr></tbody></table>	Particulars	FYE 31 st March 2019	FYE 31 st March 2018	Total Income	13,922.89	16,357.21	Profit / (Loss) before Tax	(1,158.90)	(15.10)	Tax Expenses	(149.91)	Nil	Profit / (Loss) after Tax	(1,008.99)	(15.10)	
Particulars	FYE 31 st March 2019	FYE 31 st March 2018															
Total Income	13,922.89	16,357.21															
Profit / (Loss) before Tax	(1,158.90)	(15.10)															
Tax Expenses	(149.91)	Nil															
Profit / (Loss) after Tax	(1,008.99)	(15.10)															
3. SHARE CAPITAL																	
	<p>As on 31st March 2019, the Authorised, Issued, Subscribed and Paid up Share Capital of the Company is Rs. 50,00,00,000/- divided into 5,00,00,000 equity shares having a Face Value of Rs. 10/- each.</p> <p>During the Financial Year, the Company has not granted any stock option or sweat equity.</p>																

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CIN : U74999DL2009PLC197265

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4.	<p>DIVIDEND</p> <p>On account of the losses incurred by the Company during the Financial Year, the Directors are not in a position to recommend any dividend for the Financial Year.</p>
5.	<p>TRANSFER TO RESERVES</p> <p>No amount is transferred to any reserve.</p>
6.	<p>BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL</p> <p>BOARD OF DIRECTORS</p> <p>Mr. Naresh Sasanwar and Mr. Mahendra Kumar Agrawala were appointed as an additional directors w. e. f. 1st October 2018 and 10th December 2018 respectively. Mr. Sasanwar and Mr. Agrawala shall hold office up to the date of ensuing Annual General Meeting (“AGM”). The Directors have, at their Meeting held on 30th August 2019, recommended the appointment of Mr. Naresh Sasanwar and Mr. Mahendra Kumar Agrawala as Directors of the Company at the ensuing AGM of the Company.</p> <p>In accordance with the provisions of the Companies Act, 2013, Mr. Mineel Mali retires by rotation at the next AGM and has offered himself for re-appointment.</p> <p>Mr. Sanjay Chaudhary and Ms. Poonam Sabnis resigned as Directors of the Company w.e.f. 22nd November 2018 and 30th January 2019 respectively.</p> <p>Mr. Manish Mehra was appointed as an additional Director of the Company w.e.f. 22nd April 2019 and resigned w.e.f. 25th April 2019.</p> <p>Presently, the Board of Directors comprises of Mr. Mineel Mali, Mr. Naresh Sasanwar and Mr. Mahendra Kumar Agrawala.</p> <p>KEY MANAGERIAL PERSONNEL (KMPs)</p> <p>Mr. Naresh Sasanwar, Ms. Poonam Sabnis and Mr. Nirav Shah were appointed as Chief Financial Officer, Manager and Company Secretary respectively of the Company w.e.f. 22nd April 2019 and resigned from their offices w.e.f. 30th April 2019.</p> <p>Remuneration Policy for directors, KMPs and other employees including criteria for determining qualifications, positive attributes and independence of a director are yet to be formulated.</p>
7.	<p>MEETINGS OF THE BOARD</p> <p>During the Financial Year, 7 (Seven) Board Meetings were duly held on 12th June 2018, 4th September 2018, 29th September 2018, 10th December 2018 and 11th March 2019.</p> <p>The intervening gap between the Meetings was not more than 120 days as prescribed under the Companies Act, 2013.</p> <p>Details of attendance by each Director at the said Board meetings are as under:</p>

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Name of Directors	Board Meetings attended
Mr. Mineel Mali	4
*Mr. Naresh Sasanwar	1
**Mr. Mahendra Kumar Agrawala	0
#Ms. Poonam Sabnis	3
##Mr. Sanjay Chaudhary	2
<p>*Mr. Naresh Sasanwar was appointed as an additional director w. e. f. 1st October 2018</p> <p>** Mr. Mahendra Kumar Agrawala was appointed as an additional director w. e. f. 10th December 2018</p> <p># Ms. Poonam Sabnis resigned as a director w. e. f. 30th January 2019</p> <p>##Mr. Sanjay Chaudhary resigned as a director w. e. f. 22nd November 2018</p>	
8. DIRECTORS' RESPONSIBILITY STATEMENT	
Pursuant to the requirement of Section 134(3)(c) of the Act, your Directors confirm that:	
a. in the preparation of the annual financial statements, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;	
b. the Directors had 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 the Company at the end of the financial year and of the loss of the Company for that period;	
c. the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the Assets of the Company and for preventing and detecting fraud and other irregularities;	
d. the Directors had prepared the annual accounts on a going concern basis; and	
e. the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.	
9. PARTICULARS OF EMPLOYEES	
There are no particulars to be disclosed under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in terms of remuneration criteria prescribed thereunder.	
10. DISCLOSURE ON WOMEN AT WORKPLACE	
During the financial year, the Company has not received any complaint of sexual harassment at workplace from any women employees, pursuant to Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013.	
11. STATUTORY AUDITOR & AUDITOR'S REPORT	
STATUTORY AUDITOR:	
In the 7 th AGM of the Company convened on 30 th June 2016, M/s. Natvarlal Vepari & Co., Chartered Accountants (Firm Registration no.: 106971W), had been appointed as the statutory auditors of the Company until the conclusion of the 12 th AGM of the	

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	<p>Company. In terms of the provisions of the Companies Act, 2013, it is necessary to get the appointment ratified by the shareholders at every Annual General Meeting until the expiry of the period of original appointment.</p> <p>Amended provisions of Section 139 of the Act vide Companies (Amendment) Act, 2017 notified from 7th May, 2018 no longer requires ratification of appointment of Auditors by members at every subsequent AGM. In view of this, the appointment of Auditors' is not proposed for ratification at ensuing AGM.</p> <p><u>AUDITOR'S REPORT:</u> The Auditors have made qualified opinions in the Annexure to the Auditors' Report in point no. (viii), which reads as under: "According to the information and explanations given to us and based on the documents and records produced to us, the Company has defaulted in repayment of principal of Rs. 36376.64 lakhs, interest of Rs. 8,355.22 lakhs to banks and financial institutions as at March 31, 2019 as mentioned in Note 9.1(j) to the Financial Statements."</p> <p><u>MANAGEMENT EXPLANATION:</u> It is clarified that the above matters covered in the Auditors' Report together with relevant notes in the Notes to Accounts are self-explanatory.</p>
12.	SECRETARIAL AUDIT REPORT Mr. Veeraraghavan. N, Practicing Company Secretary have, pursuant to section 203 of the Act, issued the Secretarial Audit Report for the Financial Year with the following qualifications: The Company has not appointed any KMP, as envisaged in Section 203 of the Act. <u>MANAGEMENT EXPLANATION:</u> Observations made by the Secretarial Auditor in their Report are self-explanatory and do not need further clarification. The Report of the Secretarial Auditor is given in Annexure B in the prescribed Form MR-3, which forms part of this Report.
13.	CHANGE IN THE NATURE OF BUSINESS There has been no change in the nature of business during the Financial Year.
14.	SUBSIDIARIES / ASSOCIATES / JOINT VENTURES The Company does not have any subsidiary / associate or joint venture.
15.	EXTRACT OF ANNUAL RETURN The details forming part of the extracts of Annual Return in Form MGT-9 as per Section 92 of the Companies Act, 2013 is annexed herewith as Annexure 'A' .

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16.	DEPOSITS The Company has not accepted any deposits covered under Chapter V of the Act.
17.	VIGIL MECHANISM / WHISTLE BLOWER POLICY The Company is yet to establish a vigil mechanism.
18.	PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS The Company has not made any loans, guarantees or investments as covered under Section 186 of the Act.
19.	RELATED PARTY TRANSACTIONS The Company has not made any related party transactions covered under the provisions of section 188 of the Act; hence prescribed Form AOC-2 is not applicable.
20.	SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS There are no significant / material orders passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations.
21.	CORPORATE SOCIAL RESPONSIBILITY (CSR) CSR related provisions of the Act do not apply to the Company as the Company does not meet turnover or net worth criteria prescribed in this regard.
22.	TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND Your Company does not have any amount / shares due to be transferred to Investor Education and Protection Fund.
23.	SECRETARIAL STANDARDS The Company has complied with all applicable Secretarial Standards.
24.	COST AUDITOR The Board has appointed Mr. R. Srinivasaraghavan, Cost Accountant, Pune (Firm's Registration No. 100537) as Cost Auditor of the Company for conducting Cost Audit of your Company for the financial year 2019-20. The Company is required to maintain Cost Records as specified by the Central Government under Section 148(1) of the Act and accordingly, such accounts and records are made and maintained by the Company.
25.	MATERIAL CHANGES AND COMMITMENTS, IF ANY, 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 THE REPORT No material change and commitments affecting financial position of the Company occurred between the end of financial year and the date of this Report.

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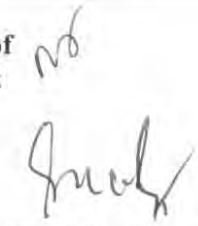
PATNA HIGHWAY PROJECTS LIMITED

26.	CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO
	<p>(A) Conservation of energy- Not Applicable</p> <p>(B) Technology absorption- Not Applicable</p> <p>(C) Foreign exchange earnings and Outgo- Foreign Exchange earned in terms of actual inflows during the year: Nil Foreign Exchange outgo during the year in terms of actual outflows: Nil</p>
27.	INTERNAL FINANCIAL CONTROLS & THEIR ADEQUACY
	<p>Your Company's internal control systems commensurate with the nature and size of its business operations. Your Company has adequate internal financial controls in place to ensure safeguarding of its assets, prevention of frauds and errors, protection against loss from unauthorized use or disposition and the transactions are authorised, recorded and reported diligently in the Financial Statements.</p>
28.	RISK MANAGEMENT POLICY
	<p>The Company has not developed and implemented a formal risk management policy for the Company. However, the Board of Directors periodically as a part of its review of the business consider and discuss the external and internal risk factors like markets related, supply / logistics related, debtor's collections, Government policy related matters that may threaten the existence of the Company.</p>
29.	ACKNOWLEDGEMENT
	<p>The Directors would like to place on record their appreciation for the valuable co-operation extended to the Company by the employees of the Company, Government Departments, Bankers, Suppliers and Customers for their continuous support to the Company.</p>

For and on behalf of the Board of
Patna Highway Projects Limited



Mineel Mali
Director
DIN - 06641595



Naresh Sasanwar
Director
DIN - 01861034

Place: Mumbai
Dated: 30th August 2019

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FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
as on financial year ended on 31-03-2019
Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014

I REGISTRATION & OTHER DETAILS:

i	CIN	U74999DL2009PLC197265
ii	Registration Date	December 22, 2009
iii	Name of the Company	Patna Highway Projects Limited
iv	Category / Sub-category of the Company	Company Limited by Shares
v	Address of the Registered office & contact details	Second Floor, Plot No. 360, Block – B, Sector 19, Dwarka, New Delhi – 110075 Email: phpl@gammoninfra.com
vi	Whether listed company	No
vii	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Not Applicable

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated

SL No	Name & Description of main products / services	NIC Code of the Product /service	% to total turnover of the company
1	Construction and maintenance of motorways, streets, roads, other vehicular and pedestrian ways, highways, bridges, tunnels and subways	42101	100

III PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES

SI No	Name & Address of the Company	CIN / GLN	Holding / Subsidiary / Associate	% of shares held	Applicable Section
1	Gammon Infrastructure Projects Limited Reg. Office: Gammon House, Veer Savarkar Marg, Prabhadevi, Mumbai - 400025	L45203MH2001 PLC131728	Holding Company	100.00	2 (46)




SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)

Category of Shareholders	No. of Shares held at the beginning of the year (01-Apr-2018)				No. of Shares held at the end of the year (31-Mar-2019)				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	0	0	0	0.00	0	0	0	0.00	0.00
b) Central Govt. or State Govt.	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corporates	49,999,994	6	50,000,000	100.00	49,999,994	6	50,000,000	100.00	0.00
d) Bank/FI	0	0	0	0.00	0	0	0	0.00	0.00
e) Any other	0	0	0	0.00	0	0	0	0.00	0.00
SUB TOTAL:(A) (1)	49,999,994	6	50,000,000	100.00	49,999,994	6	50,000,000	100.00	0.00
(2) Foreign									
a) NR Individuals	0	0	0	0.00	0	0	0	0.00	0.00
b) Other Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00
d) Banks/FI	0	0	0	0.00	0	0	0	0.00	0.00
e) Any other...	0	0	0	0.00	0	0	0	0.00	0.00
SUB TOTAL (A) (2)	0	0	0	0.00	0	0	0	0.00	0.00
Total Shareholding of Promoter									
(A) = (A)(1)+(A)(2)	49,999,994	6	50,000,000	100.00	49,999,994	6	50,000,000	100.00	0.00

Category of Shareholders	No. of Shares held at the beginning of the year (01-Apr-2018)				No. of Shares held at the end of the year (31-Mar-2019)				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
B. PUBLIC SHAREHOLDING									
(1) Institutions									
a) Mutual Funds	0	0	0	0.00	0	0	0	0.00	0.00
b) Banks/FI	0	0	0	0.00	0	0	0	0.00	0.00
c) Central govt	0	0	0	0.00	0	0	0	0.00	0.00
d) State Govt.	0	0	0	0.00	0	0	0	0.00	0.00
e) Venture Capital Fund	0	0	0	0.00	0	0	0	0.00	0.00
f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
g) FII	0	0	0	0.00	0	0	0	0.00	0.00
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
i) Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00
SUB TOTAL (B)(1):	0	0	0	0.00	0	0	0	0.00	0.00
(2) Non Institutions									
a) Bodies corporates									
i) Indian	0	0	0	0.00	0	0	0	0.00	0.00
ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	0	0	0	0.00	0	0	0	0.00	0.00
ii) individuals shareholders holding nominal share capital in excess of Rs. 1 lakh	0	0	0	0.00	0	0	0	0.00	0.00
c) Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00
SUB TOTAL (B)(2):	0	0	0	0.00	0	0	0	0.00	0.00
Total Public Shareholding (B) = (B)(1)+(B)(2)	0	0	0	0.00	0	0	0	0.00	0.00
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0.00	0	0	0	0.00	0.00
Grand Total (A+B+C)	49,999,994	6	50,000,000	100.00	49,999,994	6	50,000,000	100.00	0.00

(ii) SHAREHOLDING OF PROMOTERS

Sl No.	Shareholders Name	Shareholding at the beginning of the year (01-Apr-2018)			Shareholding at the end of the year (31-Mar-2019)			% change in share holding during the year
		No. of shares	% of total shares of the company	% of shares pledged / encumbered to total shares	No. of shares	% of total shares of the company	% of shares pledged / encumbered to total shares	
1	Gammon Infrastructure Projects Limited	50,000,000	100.00	11.88	50,000,000	100.00	11.88	0.00
	Total	50,000,000.00	100.00		50,000,000.00	100.00		0.00

for


(iii) CHANGE IN PROMOTERS' SHAREHOLDING (SPECIFY IF THERE IS NO CHANGE)

Sl. No.		Share holding at the beginning of the Year (01-Apr-2018)		Cumulative Share holding during the Year (31-Mar-2019)	
		No. of Shares	% of total shares of the company	No of shares	% of total shares of the company
	Gammon Infrastructure Projects Limited				
	At the beginning of the year	50,000,000	100.00	50,000,000	100.00
	Date wise increase / decrease in Promoters Share holding during the year	0	0.00	0	0.00
	At the end of the year	50,000,000	100.00	50,000,000	100.00

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters & Holders of GDRs & ADRs)

Sl. No		Share holding at the beginning of the Year (01-Apr-2018)		Cumulative Share holding during the Year (31-Mar-2019)	
		No.of shares	% of total shares of the company	No of shares	% of total shares of the company
	For Each of the Top 10 Shareholders				
	At the beginning of the year	0	0.00	0	0.00
	Date wise increase / decrease in shareholding during the year	0	0.00	0	0.00
	At the end of the year	0	0.00	0	0.00

(v) Shareholding of Directors & KMP

Sl. No		Share holding at the beginning of the Year (01-Apr-2018)		Cumulative Share holding during the Year (31-Mar-2019)	
		No.of shares	% of total shares of the company	No of shares	% of total shares of the company
	For Each of the Directors & KMP				
	At the beginning of the year	0	0.00	0	0.00
	Date wise increase / decrease in shareholding during the year	0	0.00	0	0.00
	At the end of the year	0	0.00	0	0.00

V INDEBTEDNESS

Indebtedness of the Company including interest outstanding / accrued but not due for payment				
(Rs. in Lakhs)				
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year (01-Apr-2018)				
i) Principal Amount	105,804.71	16,848.12	0.00	122,652.83
ii) Interest due but not paid	2,771.68	0.00	0.00	2,771.68
iii) Interest accrued but not due	0.00	0.00	0.00	0.00
Total (i+ii+iii)	108,576.39	16,848.12	0.00	125,424.51
Change in Indebtedness during the financial year				
Additions	2,471.65	0.00	0.00	2,471.65
Reduction	0.00	0.00	0.00	0.00
Net Change	2,471.65	0.00	0.00	2,471.65
Indebtedness at the end of the financial year (31-Mar-2019)				
i) Principal Amount	105,262.71	16,848.12	0.00	122,110.83
ii) Interest due but not paid	5,785.33	0.00	0.00	5,785.33
iii) Interest accrued but not due	0.00	0.00	0.00	0.00
Total (i+ii+iii)	111,048.04	16,848.12	0.00	127,896.16

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole time director and/or Manager:

Sl.No	Particulars of Remuneration	Name of the MD / WTD / Manager			Total Amount
		Not Applicable			
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income Tax, 1961.				0.00
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961				0.00
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961				0.00
2	Stock option				0.00
3	Sweat Equity				0.00
4	Commission as % of profits				0.00
5	Others, please specify				0.00
	Total (A)				0.00
	Ceiling as per the Act				0.00

B. Remuneration to other directors:

Sl.No	Particulars of Remuneration	Name of the Directors			Total Amount
1	Independent Directors	Not Applicable			
	(a) Fee for attending board / committee meetings				0.00
	(b) Commission				0.00
	(c) Others, pls. specify				0.00
	Total (1)				0.00
2	Other Non Executive Directors				
	(a) Fee for attending board / committee meetings				0.00
	(b) Commission				0.00
	(c) Others, please specify.				0.00
	Total (2)				0.00
	Total (B)=(1+2)				0.00
	Total Managerial Remuneration				0.00
	Overall Ceiling as per the Act				

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD / MANAGER / WTD

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			Total
1	Gross Salary				
	(a) Salary as per provisions contained in section 17(1) of the Income Tax, 1961.				0.00
	(b) Value of perquisites u/s 17(2) of the income tax Act, 1961				0.00
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961				0.00
2	Stock Option				0.00
3	Sweat Equity				0.00
4	Commission				0.00
	- as % of profit				
5	Others, please specify				0.00
	Total				0.00

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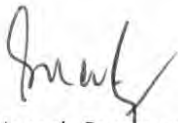
VII

PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES

NOT APPLICABLE

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority (RD / NCLT / Court)	Appeal made if any (give details)
A. COMPANY					
Penalty					
Punishment					
Compounding					
B. DIRECTORS					
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

ms For and on behalf of the Board of Directors of
Patna Highway Projects Limited



Name: Naresh Sasanwar
Designation: Director
DIN: 01851034



Name: Mineel Mali
Designation: Director
DIN: 06641595

Place: Mumbai

Date: 30th August 2019

Veeraraghavan.N
Practising Company Secretary

First Maritime Private Limited
201, Gheewala Building
M.P. Road, Mulund – East
Mumbai 400081
Mob: 9821528844
Email : nvr54@ymail.com

Form No. MR – 3

**SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH 2019**

(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,
Patna Highway Projects Limited
(CIN : U74999DLPLC197265)

I, have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Patna Highway Projects Limited (CIN : U74999DLPLC197265) hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on my verification of the books, papers, minute books, forms and return filed and other records maintained by the Company and also the information provided by the Company and its officers, during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March 2019 complied with the statutory provisions listed hereunder (wherever applicable) 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2019 , according to the provisions of:

- (i). The Companies Act, 2013 (the “Act”) and the rules made thereunder;
- (ii). The Securities Contracts (Regulation) Act, 1956 (“SCRA”) and the rules made thereunder;
- (iii). The Depositories Act, 1996 and the Regulations and bye-laws framed thereunder;
- (iv). The Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;



- (v). 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, 2009;
 - (d) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (e) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Act and dealing with client;
 - (f) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
 - (g) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; and
 - (h) SEBI (Share Based Employee Benefits) Regulations, 2014.
 - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations , 2015

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

- (j) Secretarial Standard issued by The Institute of Company Secretaries of India.
- (k) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited. --- *The Company being an unlisted public company, the listing agreements are not applicable to the Company.*

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

The Company has not appointed any KMP, as envisaged in Section 203 of the Act.




I further report that:

The Board of Directors of the Company is duly constituted

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in advance, 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.

Majority decision is carried through, while the dissenting members' views (if any) are captured and recorded as part of the minutes.

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



Veeraraghavan N.
ACS No: 6911
CP NO : 4334



Place : Mumbai
Date: 27th May 2019

Natvarlal Vepari & Co.
CHARTERED ACCOUNTANTS

Oricon House, 4th Floor, 12, K. Dubash Marg, Mumbai-400 023. • Tel : 6752 7100 • Fax : 6752 7101 • E-Mail : nvc@nvc.in

INDEPENDENT AUDITOR'S REPORT

To
The Members of
Patna Highway Projects Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Financial Statements of Patna Highway Projects Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2019, 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 financial statements, including a summary of 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, 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 accounting principles generally accepted in India, of the State of Affairs of the Company as at March 31, 2019, its loss (including Other Comprehensive Income), changes in equity and its cash flows for the year ended on that date.

Basis of Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter

- a. Attention is invited to Note 3.3 a) relating to the viability and impairment assessment which is dependent upon the fructification of a claim for delay



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which is attributable to NHA1. The cost overrun attributable to reasons beyond the control of the management and attributable to the granter is accounted as a separate receivable against the claim of Rs. 25072 lacs. No finance income is accounted on such cost overrun in the annuity model on a conservative basis till the final decision of the realisability is settled pursuant to arbitration and other legal proceedings. However, on the basis of the management's position on the project and the claims that it is expecting due to delays attributable to NHA1, the delay days being confirmed by the Independent Engineer, the management contends that there is no impairment necessary towards the financial asset. We have relied on the assertions on the matter. The success of the project meeting the cash flows and avoiding any impairment is dependent on the Company being able to successfully pursue the claim and realising the same from NHA1. Our report is not qualified on this account.

- b. We also invite attention to note no 3.1 a) relating to the amount of Rs. 5790.26 lacs withheld by NHA1 for reasons stated in the aforementioned note. The management is confident of recovery of the amounts. Our report is not qualified on this account.

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 Report of the Board of Directors but does not include the Standalone Financial Statements and our Independent Auditors' Report thereon. The Other Information as aforesaid is expected to be made available to us after the date of this Auditor's Report.

Our opinion on the Financial Statements does not cover the Other Information and we do not and will not express any form of assurance or conclusion thereon.

In connection with our audit of the Financial Statements, our responsibility is to read the Other Information identified above and, in doing so, consider whether the Other Information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

Responsibilities of Management and those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in



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accordance with the accounting principles generally accepted in India, including the accounting standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, 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.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities 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:

1. 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.



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2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. 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, make it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality 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 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.



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Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the attached Annexure "A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c. The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
 - d. In our opinion the aforesaid Standalone Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e. On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
 - 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". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended: In our opinion and to the best of our information and according to the explanations given to us, there is no remuneration paid by the Company to its directors during the year and therefore the provisions of section 197 of the Act are not applicable to the Company.



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- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. There are no pending litigations on its financial position in its standalone financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were material foreseeable losses;
 - iii. There are no amounts that are required to be transferred to the Investor Education and Protection Fund.

For Natvarlal Vepari & Co
Chartered Accountants
Firm Registration No. 106971W

Ruchi Tamhankar

Ruchi Tamhankar
Partner
M. No. 136667



Mumbai, Dated: May 27, 2019

Natvarlal Vepari & Co.

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ANNEXURE A

To the Independent Auditors' Report on the Standalone IND AS Financial Statements of Patna Highway Project Limited

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of its Property, Plant & Equipment.
- (b) Property, Plant & Equipment have been physically verified by the management during the year at reasonable intervals and no material discrepancies were identified on such verification.
- (c) We have verified the title deeds of immovable property forming part of the schedule of Property, Plant & Equipment produced before us by the management and the same are in compliance of clause 3(i)(c) of Companies (Auditors Report) Order 2016.
- (ii) The company does not hold any inventory during the year, and hence clause 3(ii)(a) and 3(ii)(b) of Companies (Auditors Report) Order 2016 are not applicable.
- (iii) During the year the Company has not granted any loan to entities covered in the register maintained u/s 189 of the Companies Act 2013 and hence clause 3(iii) of Companies (Auditors Report) order 2016 is not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 of the Companies Act, 2013 with respect to loans. Provisions of section 186 of the Companies Act, 2013 with respect to loans, investments, guarantees and security given are not applicable to the company as per sub-section (11) of section 186 of Companies Act, 2013, being an infrastructure company.
- (v) The Company has not accepted any deposit from the public pursuant to sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and rules framed thereunder. As informed to us, there is no order that has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal in respect of the said sections.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under Section 148(1) of the Companies Act, 2013, related to road annuity based business under BOT basis and are of the opinion that prima facie, the specified accounts and records have been made and



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maintained. We have not, however, made a detailed examination of the same.

- (vii) (a) According to information and explanation given to us and on the basis of our examination of records of the Company, amount deducted or accrued in the books of accounts in respect of undisputed statutory dues including Provident fund, Employees State Insurance, Income Tax, and other statutory dues have generally been regularly deposited during the year by the Company with the appropriate authorities though there were slight delays. However, the Company is not regular in paying the GST dues.

According to the information and explanations given to us, no undisputed amount payable in respect of the aforesaid dues were outstanding as at March 31, 2019 for a period of more than six months from the date of becoming payable

(b) According to the information and explanations given to us, there are no dues of Sales Tax, Income Tax, Service Tax, or Value Added Tax which have not been deposited on account of any dispute.

- (viii) *According to the information and explanations given to us and based on the documents and records produced to us, the Company has defaulted in repayment of principal of Rs. 36376.64 lakhs, interest of Rs. 8355.22 lakhs to banks and financial institutions as at March 31, 2019 as mentioned in Note 9.1(j) to the Financial Statements. The Company did not have any dues to Government and debenture holders during the year.*
- (ix) The Company has not raised any money by way of initial public offer and further public offer (including debt instrument). According to the information and explanations given to us and based on the documents and records produced to us, The Company has not taken any term loan during the year.
- (x) According to the information and explanations given to us and to the best of our knowledge and belief no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- (xi) The company has not paid any managerial remuneration during the year and hence provisions of section 197 read with Schedule V to the Companies Act, 2013 are not applicable and hence clause 3(xi) of Companies (Auditors Report) Order 2016 is not applicable to the Company.
- (xii) The Company is not a Nidhi Company hence clause 3(xii) of Companies (Auditors Report) Order 2016 is not applicable to the Company.



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- (xiii) Since the company is a wholly owned subsidiary of a listed company, therefore the provisions of Sec.177 are not applicable in respect of transactions with related parties. The company has complied with the provisions of Sec 188 of the Act, wherever applicable. The necessary disclosures relating to related party transactions have been made in the Financial Statements as required by applicable accounting standard.
- (xiv) The company has not made any preferential allotment / private placement of shares or fully or partly convertible debentures during the year under review and hence the clause 3(xiv) of the Companies (Auditors Report) Order, 2016 is not applicable to the Company.
- (xv) The company has not entered into any non-cash transactions with directors or persons connected with him and hence the clause 3(xv) of the Companies (Auditors Report) Order, 2016 is not applicable to the Company.
- (xvi) The nature of business and the activities of the Company are such that the Company is not required to obtain registration under section 45-IA of the Reserve Bank of India Act 1934.

For Natvarlal Vepari & Co
Chartered Accountants
Firm Registration No.106971W



Ruchi Tamhankar
Partner
Membership No. 136667
Mumbai, Dated: May 27, 2019



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Annexure - B to the Auditors' Report

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

We have audited the internal financial controls with reference to Financial Statements of Patna Highways Project Limited ("the Company") as of March 31, 2019 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 with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to Financial Statements 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 Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Financial Statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to Financial Statements and their operating effectiveness. Our audit of internal financial controls



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

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

Meaning of Internal Financial Controls with reference to Financial Statements

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

Inherent Limitations of Internal Financial Controls with reference to Financial Statements.

Because of the inherent limitations of Financial controls with reference to Financial Statements, 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 with reference to Financial Statements to future periods are subject to the risk that the internal financial control with reference to Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to Financial Statements and such internal

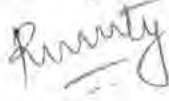


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financial controls with reference to financial statements were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Natvarlal Vepari & Co
Chartered Accountants
Firm Registration No. 106971W



Ruchi Tamhankar
Partner
M. No. 136667
Mumbai, Dated: May 27, 2019



PATNA HIGHWAY PROJECTS LIMITED

CIN: U74999DL2009PLC197265

BALANCE SHEET AS AT MARCH 31, 2019

(Rs. In Lakhs)

Particulars	Note Ref	As at March 31, 2019	As at March 31, 2018
ASSETS			
(1) Non-current assets			
(a) Property, Plant and Equipment	2	3.50	3.50
(b) Financial Assets	3	-	-
(i) Trade receivables	3.1	-	-
(ii) Loans	3.2	16.41	16.41
(iii) Others	3.3	90,446.85	96,589.53
(c) Deferred Tax Asset, Net	5	863.88	640.39
(d) Other Non-current assets	5	4,639.91	5,784.25
Total Non-Current Assets (A)		95,970.55	1,03,034.08
(2) Current Assets			
(a) Financial Assets			
(i) Trade receivables	3.1	15,250.27	9,460.00
(ii) Cash and cash equivalents	6	0.02	-
(iii) Bank balances	6	2,523.45	1.80
(iv) Loans	3.2	90.65	90.65
(v) Others	3.3	19,315.70	19,114.06
(b) Other current assets	5	598.74	617.56
Total Current Assets (B)		37,778.83	29,284.07
Total Assets (A + B)		1,33,749.38	1,32,318.14
EQUITY & LIABILITIES			
Equity			
(a) Equity Share capital	7	5,000.00	5,000.00
(b) Other Equity	8	17,512.32	18,520.16
Total Equity (A)		22,512.32	23,520.16
Non-current liabilities			
(a) Financial Liabilities	9		
(i) Borrowings	9.1	61,066.91	95,226.00
(b) Provisions	11	18.59	3.68
Total Non-current liabilities (B)		61,085.50	95,229.68
Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	9.1	-	-
(ii) Trade payables			
Total outstanding dues of Micro enterprises and small enterprises		-	-
Total outstanding dues of creditors other than Micro enterprises and small enterprises	9.2	100.79	180.98
(iii) Other financial liabilities	9.3	50,031.08	13,364.97
(b) Other current liabilities	10	14.78	18.52
(c) Provisions	11	4.91	3.84
Total Current Liabilities (C)		50,151.56	13,568.30
Total Equity and Liabilities (A + B + C)		1,33,749.38	1,32,318.14

Significant Accounting policies and Other Related Disclosures 1

As per our report of even date attached.

For Natvarlal Vepari & Co
Chartered Accountants
Firm Registration No. 106971W

Ruchi Tamhankar
Ruchi Tamhankar
Partner

M.No.- 136667

Place: Mumbai
Date: 27th May 2019



For and on behalf of the Board of Directors of
Patna Highway Projects Limited

Naresh Sasanwar
Naresh Sasanwar
Director

DIN: 01861034

Mineel Mali
Mineel Mali
Director

DIN: 06641595

PATNA HIGHWAY PROJECTS LIMITED

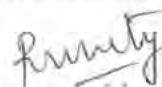
CIN: U74999DL2009PLC197265

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED MARCH 31, 2019

		(Rs. In Lakhs)	
Particulars	Note Ref	For Year ended March 31, 2019	For Year ended March 31, 2018
I Revenue from Operations	12	13,879.18	16,217.36
Revenue from Operations		13,879.18	16,217.36
II Other Income:	13	43.71	139.84
III Total Revenue (I + II)		13,922.89	16,357.21
IV Expenses:			
Construction Cost	14	3,205.57	5,507.51
Employee Benefit Cost	15	59.70	36.04
Administrative Expenses	16	1,905.38	1,459.95
Finance Charges	17	9,911.14	9,366.77
Depreciation & amortization	18	-	2.04
Total Expenses		15,081.79	16,372.31
V Profit/(loss) Before Tax (III-IV)		(1,158.90)	(15.10)
VI Exceptional Items		-	-
VII Profit Before extraordinary items and Tax (V-VI)		(1,158.90)	(15.10)
VIII Extraordinary Items		-	-
IX Profit/(loss) Before Tax (VII-VIII)		(1,158.90)	(15.10)
X Tax Expense	19	(149.91)	-
Current Tax		93.00	350.00
Short/ (excess) provision for tax of earlier years		(19.43)	290.39
Deferred Tax Liability / (asset)		(223.49)	(640.39)
XI Profit / (loss) for the period		(1,008.99)	(15.10)
XII Other Comprehensive Income			
Items that will not be reclassified to profit or loss:			
Remeasurement of defined benefit plans		(1.15)	0.24
XIII Total Comprehensive Income		(1,007.84)	(15.35)
XIV Earnings per Equity Share:			
Basic & Diluted	20	(2.02)	(0.03)
Par Value		10.00	10.00

As per our report of even date attached

For Natvarlal Vepari & Co
Chartered Accountants
Firm Registration No. 106971W

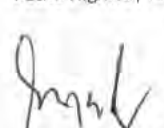


Ruchi Tamhankar
Partner
M.No.- 136667



Place: Mumbai
Date: 27th May 2019

For and on behalf of the Board of Directors of
Patna Highway Projects Limited


Naresh Sasanwar
Director
DIN: 01861034


Mineel Maiti
Director
DIN: 06641595

PATNA HIGHWAY PROJECTS LIMITED

CIN : U74999DL2009PLC197265

STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2019

Particulars	(Rs in Lakhs)	
	Year ended March 31, 2019	Year ended March 31, 2018
A. CASH FLOW FROM OPERATING ACTIVITIES :		
Net profit/ (loss) before tax and extraordinary items	(1,158.90)	(15.10)
Add:		
Depreciation	-	2.04
Balances written off	-	1.69
Provisions written Back	(3.91)	-
Finance Expenses	9,805.55	9,286.52
Profit on sale of assets	-	(1.18)
Interest on Income Tax Refund	-	(1.83)
Interest on Bank FD	(39.80)	(136.84)
Guarantee expenses on Holding Co, guarantee	534.96	542.35
Prepaid upfront fees amortized	66.80	67.17
Finance Income	(10,195.27)	(11,924.09)
Operating profit before working capital changes	(990.57)	(2,179.28)
Movements in working capital :		
Movements in provisions	21.03	3.74
	(44.84)	(1,290.90)
Increase / (decrease) in trade payables and other financial liabilities		
Changes in other liabilities	(3.73)	(83.93)
Movements in other bank balances	(2,521.63)	95.90
Movements in trade receivable	(5,790.27)	15,733.19
Movement in financial assets	16,136.31	(213.99)
Movement in other assets	726.95	342.54
	8,523.82	342.54
		14,586.55
Cash (used in) / generated from the operations	7,533.25	12,407.27
Direct taxes paid	(239.14)	(668.55)
Net cash (used in) / generated from the operations	7,294.11	11,738.72
B. CASH FLOW FROM INVESTMENT ACTIVITIES :		
Interest Received	39.80	136.84
	39.80	136.84
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Intercompany deposits Received	-	400.00
Intercompany deposits Repaid	-	(400.00)
Long Term Loans repaid	(3,111.89)	(2,656.11)
Interest Paid	(4,222.00)	(9,219.45)
	(7,333.89)	(9,219.45)
	0.02	(0.00)
NET INCREASE IN CASH AND CASH EQUIVALENTS	0.02	(0.00)
Opening Balance	-	-
Closing Balance	0.02	-
NET INCREASE IN CASH AND CASH EQUIVALENTS	0.02	-
Components of cash and cash equivalents		
Cash in Hand :	0.02	-
	0.02	-

Note: Figures in brackets denote outflows.

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

As per our report of even date:

For Natvarlal Vepari & Co.
Chartered Accountants
ICAI Firm Registration No. : 106971W

Ruchi Tamhankar

Ruchi Tamhankar
Partner
M.No.- 136667



Place: Mumbai
Date: 27th May 2019

For and on behalf of the Board of Directors of
Patna Highway Projects Limited

Naresh Sasanwar
Naresh Sasanwar
Director
DIN: 01861034

Mineel Mali
Mineel Mali
Director
DIN: 06641595

PATNA HIGHWAY PROJECTS LIMITED
CIN: U74999DL2009PLC197265

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

Statement of Changes in Equity

A. Equity Share Capital

Particulars	March 31, 2019		March 31, 2018	
	Number	Amount (Rs.)	Number	Amount (Rs.)
Equity shares of INR 10 each issued, subscribed and fully paid				
Balance at the beginning of the reporting period	5,00,00,000	5,000.00	5,00,00,000	5,000.00
Changes in equity share capital during the year				
Add: Issue during the reporting period	-	-	-	-
Balance at end of the year	5,00,00,000	5,000.00	5,00,00,000	5,000.00

B. Other Equity

Particulars	Retained Earnings	Capital Contribution on ICD	Capital Contribution on guarantee commission	Total
Balance as at April 1, 2017	1,687.38	10,460.50	6,387.62	18,535.50
Profit for the year	(15.10)	-	-	(15.10)
Inter-Corporate Loan received from GIPL	-	-	-	-
Items that will not be reclassified to profit or loss:				
- Remeasurement of defined benefit plans	(0.24)	-	-	(0.24)
Balance as at March 31, 2018	1,672.03	10,460.50	6,387.62	18,520.16
Profit for the year	(1,008.99)	-	-	(1,008.99)
Items that will not be reclassified to profit or loss:				
- Remeasurement of defined benefit plans	1.15	-	-	1.15
Balance as at March 31, 2019	664.19	10,460.50	6,387.62	17,512.32

As per our report of even date attached

For Natvarlal Vepari & Co
Chartered Accountants
Firm Registration No. 106971W

Ruchi Tamhankar

Ruchi Tamhankar
Partner
M.No.- 136667



Place: Mumbai
Date: 27th May 2019

For and on behalf of the Board of Directors of
Patna Highway Projects Limited

Naresh Sasanwar

Naresh Sasanwar
Director
DIN: 01861034

Mineel Mall

Mineel Mall
Director
DIN: 06641595

PATNA HIGHWAY PROJECTS LIMITED
CIN: U74999DL2009PLC197265

Note 1 : Significant Accounting policies and Other Related Disclosures

A Corporate Information

Patna Highway Projects Limited ('PHPL') is domiciled in India and having its registered office at second floor, Plot No.360, Block B, Sector 19, Dwarka, New Delhi, South West Delhi, 110075, incorporated under the Companies Act, 1956, on December 22, 2009, as a subsidiary of Gammon Infrastructure Projects Limited ('GIPL'). The Company entered into a Concession Agreement ('the Contract') with the National Highways Authority of India ('NHAI') for the development, maintenance and operation of road from Patna (Hajipur) to Muzaffarpur in the state of Bihar on Build Operate and Transfer ('BOT') Annuity basis.

In respect of the project on annuity basis of the Company, The Company has recorded the project in accordance with the requirement of Appendix A to Ind AS 11, titled "Service Concession Arrangement" with retrospective period in accordance with the requirements of Ind AS 101-First Time Adoption. Accordingly, the Company has recognized "Contract Asset" as financial assets as against the earlier accounting as per previous GAAP of Intangible Asset under Development. The Company will have cost overrun on account of issue beyond the scope of the company and attributable to the Grantor. This will not result in any changes in the Annuity from the grantor. However this amount will be treated separately as receivable from the Grantor based on certification of delay period attributable to the Grantor certified by the Independent Engineer.

The project has obtained pre-COD on September 1, 2016 and was to complete the balance project work by partly utilising the first 4 annuity payments to be released by National Highways Authority of India ("NHAI"), based on the commitment given by the Consortium Banks/ Lenders including Yes Bank (Lead Bank) to NHAI.

PHPL has received 3 (three) full annuity payments of Rs 94.60 crores each from NHAI into the Escrow account maintained with Yes Bank (Lead Bank). However, the Consortium Banks'/Lenders' have not released the funds from the escrow account to PHPL as committed to NHAI for completing the balance project work. Hence, NHAI has released only part of 4th annuity payment after holding back an amount of Rs 57.90 crores towards non-completion of balance work of the Project by PHPL and other charges. The company expects this to be released and has accordingly accounted the same as receivable.

The status of the major works executed is tabulated as below:

Major Item of Works	Total Work Completed (in four lane KM)	Physical Progress
Bituminous Concrete (BC)	42	82 % of the total work
Dense Bituminous Macadam (DBM)	49	
Wet Mix Macadam (WMM)	56	
Granular Sub-Base (GSB)	58	
Structure	85 % of the total Work	



Although, Provisional Commercial Operations Date (PCOD) was achieved in September 2016 after completing each and every section and pieces of land, the Concessing Authority was unable to hand over the balance land till date.

As per the 3D notification, the Concessing Authority has to acquire the land of 313 Ha including 136 Ha of existing road. However, the Authority has physically handed over only 273.975 Ha (87.532%) including existing road. After various meeting held with senior officials of NHAI, till date there is no development in acquisition of land. Finally, local public forcibly stopped the work and did not permit in 12.468% of the total land, which is to be acquired at various locations. Land Acquisition (LA) is the major hurdles for this project completion.

The Authority cleared the land of 1.2 km from KM 9+400 to KM 10+600 wherein the work will be starting soon.

Due to above issues of land acquisition (solely attributed to the authority) till date, the balance work could not be taken up.

PHPL has submitted restructuring/resolution plans to the Banks/Lenders under the Reserve Bank of India's ("RBI") restructuring schemes from time to time, but the Consortium Lenders/Banks have not approved the same. Consequently, PHPL's loan account has been declared as Non-Performing Asset ("NPA") on March 31, 2018 due to non-servicing of debt obligations.

PHPL has submitted a proposal for One-Time Settlement ("OTS") of loans along with change of management at SPV and GIPL level to the Consortium Banks/Lenders and they have approved the proposal for an OTS amount of Rs 665 crores. The OTS proposal is yet to be implemented by PHPL.

The viability of the project and the impairment assessment is dependent upon fructification of a claim for delay days which is attributable to NHAI. This amount will be treated as a separate receivable from NHAI based on the certification of delay period attributable to NHAI as certified by the Independent Engineer. The amount of claim on this account is expected to be Rs.25072 lakhs which is supported by an opinion from an independent techno legal consultant based on the documentation and facts of delay and reasons for delay. This cost overrun is being considered as a separate source which will be credited to the financial asset on receipt. On a conservative basis, the company has not accrued any financial income on the same.

The financial statements were authorised for issue in accordance with the resolution passed at the meeting of the board of directors on May 27, 2019

B New standards and interpretations not yet adopted

a) Ind AS 116 - Leases

On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 116, Leases. Ind AS 116 will replace the existing leases Standard, Ind AS 17 Leases, and related interpretations. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the statement of Profit & Loss. The Standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

The effective date for adoption of Ind AS 116 is annual periods beginning on or after April 1, 2019.

- i) Full retrospective – Retrospectively to each prior period presented applying Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors.
- ii) Modified retrospective – Retrospectively, with the cumulative effect of initially applying the Standard recognized at the date of initial application.

Under modified retrospective approach, the lessee records the lease liability as the present value of the remaining lease payments, discounted at the incremental borrowing rate and the right of use asset either as its carrying amount as if the standard had been applied since the commencement date, but discounted at lessee's incremental borrowing rate at the date of initial application or an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments related to that lease recognized under Ind AS 17 immediately before the date of initial application.

Certain practical expedients are available under both the methods.

On completion of evaluation of the effect of adoption of Ind AS 116, the Company is proposing to use the 'Modified Retrospective Approach' for transitioning to Ind AS 116, and take the cumulative adjustment to retained earnings, on the date of initial application (April 1, 2019). Accordingly, comparatives for the year ended March 31, 2019 will not be retrospectively adjusted.

The Company is currently evaluating the effect of this amendment on the standalone financial statements.

The effect of adoption as on transition date would result in an increase in Right of use asset and an increase in lease liability.



b) **Ind AS 12 Income taxes (amendments relating to income tax consequences of dividend and uncertainty over income tax treatments)**

Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments:

On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates.

The standard permits two possible methods of transition - i) Full retrospective approach – Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, without using hindsight and ii) Retrospectively with cumulative effect of initially applying Appendix C recognized by adjusting equity on initial application, without adjusting comparatives.

The effective date for adoption of Ind AS 12 Appendix C is annual periods beginning on or after April 1, 2019. The Company will adopt the standard on April 1, 2019 and has decided to adjust the cumulative effect in equity on the date of initial application i.e. April 1, 2019 without adjusting comparatives.

The effect on adoption of Ind AS 12 Appendix C would be insignificant in the standalone financial statements.

Amendment to Ind AS 12 – Income taxes:

–On March 30, 2019, Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, 'Income Taxes', in connection with accounting for dividend distribution taxes.

The amendment clarifies that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company is currently evaluating the effect of this amendment on the standalone financial statements.

c) **Amendment to Ind AS 19 Plan amendment, curtailment or settlement**

On March 30, 2019, Ministry of Corporate Affairs issued amendments to Ind AS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements.

The amendments require an entity:

1. To use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and
2. To recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company does not have any impact on account of this amendment.

d) **Ind AS 109 – Prepayment Features with Negative Compensation**

The amendments relate to the existing requirements in Ind AS 109 regarding termination rights in order to allow measurement at amortised cost (or, depending on the business model, at fair value through other comprehensive income) even in the case of negative compensation payments. The company does not expect this amendment to have any impact on its financial statements.

e) **Ind AS 23 – Borrowing Costs**

The amendments clarify that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalisation rate on general borrowings. The company does not expect any impact from this amendment.

f) **Ind AS 28 – Long-term Interests in Associates and Joint Ventures**

The amendments clarify that an entity applies Ind AS 109 Financial Instruments, to long-term interests in an associate or joint venture that form part of the net investment in the associate or joint venture but to which the equity method is not applied. The company does not currently have any long-term interests in associates and joint ventures.

g) **Ind AS 103 – Business Combinations and Ind AS 111 – Joint Arrangements**

The amendments to Ind AS 103 relating to re-measurement clarify that when an entity obtains control of a business that is a joint operation, it re-measures previously held interests in that business. The amendments to Ind AS 111 clarify that when an entity obtains joint control of a business that is a joint operation, the entity does not re-measure previously held interests in that business. The company will apply the pronouncement if and when it obtains control / joint control of a business that is a joint operation.

The Financial Statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Companies Act, 2014 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Indian Accounting Standards) Amendment Rules, 2016.

The standalone financial statements are presented in INR and all values are rounded to the nearest Lakhs, except otherwise stated.



C Basis of preparation

These financial statements are Standalone Financial Statements and are prepared in accordance with Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

Functional and presentation currency: The Financial statements are prepared in Indian Rupees (INR), which is also the Company's functional currency. These financial statements are presented in Indian Rupees (rounded off to nearest lakhs, unless otherwise stated)

Basis of measurement

The financial statements have been prepared and presented under the historical cost convention on the accrual basis of accounting except for certain financial assets and liabilities as disclosed in Financial statements.

D Use of judgments, estimates and assumptions

In preparing these financial statements, Management has made judgements, estimates and assumptions that affect the accounting policies and the reported amounts of revenues, expenses, assets and liabilities. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively in current and future periods.

i) Estimates

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustments to the carrying amounts of assets and liabilities within the next financial year are discussed below:

ii) Useful lives of property, plant and equipment assets

The charge in respect of periodic depreciation is derived after estimating the asset's expected useful life and the expected residual value at the end of its life. The depreciation method, useful lives and residual values of Company's assets are estimated by Management at the time the asset is acquired and reviewed during each financial year.

iii) Valuation of deferred tax assets

The Company reviews the carrying amount of deferred tax assets at the end of each reporting period.

iv) Provisions and contingent liabilities

A provision is recognised when the Company has a present obligation as a result of past event and it is probable than an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits and compensated absences) are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date adjusted to reflect the current best estimates. Contingent liabilities are not recognised in the financial statements. A contingent asset is neither recognised nor disclosed in the financial statements.

v) Employee Benefit Plans

The cost of defined benefit plans and the present value of the obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions which may differ from actual developments in the future. These includes the determination of the discount rate, future salary increases and mortality rates. However, any changes in these assumptions may have impact on the reported amount of obligation and expenses.

vi) Taxes

Significant judgements are involved in determining the provision for income taxes and deferred taxes including the amount expected to be paid or involved expected to be paid or recovered in connection with uncertain tax positions.

vii) Financial assets and Financial liabilities

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be derived from active markets, their fair value is determined using valuation techniques including the discounted cash flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgments is required in establishing fair values. The judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments



E Summary of significant accounting policies

The operating cycle of the business of the Company is twelve months from the reporting date as required by Schedule III to the Companies Act, 2013.

a) **Current and non-current classification**

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

An asset is current when :

- It is expected to be realised or intended to be sold or consumed in normal operating cycle or
- It is held primarily for the purpose of trading or
- It is expected to be realised within twelve months after the reporting period, or
- It is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when :

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

The Company classifies all other liabilities as non-current.

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

b) **Property, Plant and Equipment (PPE)**

Property, Plant and Equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Cost comprises of purchase price inclusive of taxes, commissioning expenses, etc. upto the date the asset is ready for its intended use.

Significant spares which have a usage period in excess of one year are also considered as part of Property, Plant and Equipment and are depreciated over their useful life.

Decommissioning costs, if any, on Property, Plant and Equipment are estimated at their present value and capitalised as part of such assets.

Borrowing costs on Property, Plant and Equipments are capitalised when the relevant recognition criteria specified in Ind AS 23 Borrowing Costs is met.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as per Schedule II of the Companies Act, 2013

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

The residual values and useful lives of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

c) **Financial Asset**

The Company recognises its expenditure incurred on the project as a financial asset in accordance with the principles laid down in Appendix A of Ind AS 11, Service Concession Agreements. The project satisfies the test of Financial Asset

d) **Borrowing costs**

All borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

e) **Cash and cash equivalents**

Cash and cash equivalents include cash in hand, demand deposits in banks and other short-term highly liquid investments with original maturities of three months or less. Bank overdrafts are shown within bank borrowings in current liabilities on the balance sheet.



f) **Provisions , Contingent liabilities and Contingent Assets**

Provisions

The Company recognizes a provision when it has a present legal or constructive obligation as a result of past events; it is likely that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated, Provisions are not recognized for future operating losses.

Contingent liabilities and Contingent Assets

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Group does not recognise a contingent liability but discloses its existence in the financial statements.

A contingent assets is not recognised unless it becomes virtually certain that an inflow of economic benefits will arise. When an inflow of economic benefits is probable, contingent assets are disclosed in the financial statements. Contingent liabilities and contingent assets are reviewed at each balance sheet date.

g) **Retirement and other employee benefits**

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service.

Gratuity, a defined benefit obligation is provided on the basis of an actuarial valuation made at the end of each year/period on projected Unit Credit Method.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

- ▶ The date of the plan amendment or curtailment, and
- ▶ The date that the Company recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.

The current and non-current bifurcation is done as per Actuarial report.

Termination Benefits

Termination benefits are payable as a result of the company's decision to terminate employment before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The company recognizes these benefits when it has demonstrably undertaken to terminate current employees' employment in accordance with a formal detailed plan that cannot be withdrawn, or to provide severance indemnities as a result of an offer made to encourage voluntary redundancy. Benefits that will not be paid within 12 months of the balance sheet date are discounted to their present value.

h) **Foreign Currencies**

Transactions and Balances

Transactions in foreign currencies are initially recorded in reporting currency by the Company at spot rates at the date of transaction. The Company's functional currency and reporting currency is same i.e. INR.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

i) **Fair Value Measurement**

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

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

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



j) **Financial instruments**

Initial recognition

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, that are not at fair value through profit or loss, are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date.

Non-derivative financial instruments

i) **Financial assets carried at amortised cost**

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset 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.

ii) **Financial assets at fair value through other comprehensive income**

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model 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. The Company has made an irrevocable election for its investments which are classified as equity instruments to present the subsequent changes in fair value in other comprehensive income based on its business model. Further, in cases where the Company has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income.

iii) **Financial assets at fair value through profit or loss**

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

iv) **Financial liabilities**

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit and loss. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

k) **Revenue Recognition**

Revenue from Operations

Effective April 1, 2018, the Company has applied Ind AS 115 which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognised. Ind AS 115 replaces Ind AS 18 Revenue and Ind AS 11 Construction Contracts. The Company has adopted Ind AS 115 using the cumulative catch up method. The effect of initially applying this standard is recognised at the date of initial application (i.e. April 1, 2018). The standard is applied retrospectively only to contracts that are not completed as at the date of initial application and the comparative information in the statement of profit and loss is not restated – i.e. the comparative information continues to be reported under Ind AS 18 and Ind AS 11. The impact of the adoption of the standard on the financial statements of the Company is insignificant.

The company has recorded the project on "annuity basis" in accordance with the requirement of Appendix C of service concession arrangements of Ind AS 115.

For Recognition of Revenue, the Company has identified its performance obligation as Construction Services activity, Operations and maintenance and Major maintenance.

The Company is in the Construction Phase and the Construction income is recognised over time based on the progress of the work i.e., cost incurred during the period and margin on the Construction Activity.

Maintenance after COD date till the tenure of the Project will be recognised over time proportionately over the concession period on the basis of the allocation of the transaction price over this performance obligation.

Finance income is recognised on the basis of the IRR considered in the project.

The Company has recognized "Contract Asset" as financial asset as per Service Concession Agreement.

Revenue from Operations and Maintenance including major maintenance are accrued on the basis of estimated cost plus margin and the amount reconciled is added to the financial asset. Revenue from financial asset is accrued in accordance with Interest EIR of the annuity receipt.

Interest Income

Interest income from financial asset is recognised using effective interest rate method.



l) **Taxes**

Current Income Tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the country. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred Tax

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

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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

For items recognised in OCI or equity, deferred / current tax is also recognised in OCI or equity.

m) **Earning per share**

Earnings per share is calculated by dividing the net profit or loss before OCI for the year by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss before OCI 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.

n) **Measurement of EBITDA**

The Company has elected to present earnings before interest, tax expenses, depreciation and amortization expenses (EBITDA) as a separate line item on the face of the statement of profit and loss. In the measurement of EBITDA, the Company does not include depreciation and amortization expenses, interest and tax expense.

q) **Dividend Distribution**

Dividend distribution to the Company's equity holders is recognized as a liability in the Company's annual accounts in the year in which the dividends are approved by the Company's equity holders.



PATNA HIGHWAY PROJECTS LIMITED

CIN: U74999DL2009PLC197265

For the year ended March 31, 2019

(All the figures are in Lakhs unless otherwise stated)

2 Details of Class of Property, Plant and Equipment

Particulars	Freehold		Motor Car	Computers	Office Equipment	Furniture & Fixtures	Total
	Land						
Cost or valuation							
As at March 31, 2017	3.50	13.10	1.78	1.92	1.97	22.27	
Additions	-	(13.10)	-	-	-	(13.10)	
Sales/Disposals/Adjustments	3.50	-	1.78	1.92	1.97	9.17	
As at March 31, 2018	-	-	-	-	-	-	
Additions	-	-	-	-	-	-	
Sales/Disposals/Adjustments	3.50	-	1.78	1.92	1.97	9.17	
As at March 31, 2019	-	-	-	-	-	-	
Depreciation							
As at March 31, 2017	-	9.55	1.78	1.74	1.04	14.10	
Charge for the period	-	0.92	-	0.18	0.93	2.03	
Sales/Disposals/Adjustments	-	10.47	-	-	-	10.47	
As at March 31, 2018	-	-	1.78	1.92	1.97	5.67	
Charge for the period	-	-	-	-	-	-	
Sales/Disposals/Adjustments	-	-	-	-	-	-	
As at March 31, 2019	-	-	1.78	1.92	1.97	5.67	
Net Block							
As at March 31, 2019	3.50	-	-	-	-	3.50	
As at March 31, 2018	3.50	-	-	-	-	3.50	



PATNA HIGHWAY PROJECTS LIMITED

CIN: U74999DL2009PLC197265

Notes to Financial Statements for the year ended March 31, 2019
(All the figures are in Lakhs unless otherwise stated)

3 Financial Assets
3.1 Trade Receivable

Particulars	As at March 31,	As at March 31,	As at March 31,	As at March 31,
	2019	2018	2019	2018
	Non - Current		Current	
Trade receivables	-	-	15,250.27	9,460.00
Total	-	-	15,250.27	9,460.00

- (a) During the year NHAI has withheld an amount of Rs 5790.26 Lakhs on account of cost of balance work to be executed in the next six months including damages there on. The same forms part of trade receivable. However the company has not accrued financial income on the same. The fifth annuity which has become due in March 19 has not been received till date. The company is following up with NHAI for release of the said funds. The management is confident of recovery of the dues from NHAI.

3.2 Loans & Advances

Particulars	As at March 31,	As at March 31,	As at March 31,	As at March 31,
	2019	2018	2019	2018
	Non - Current		Current	
(unsecured considered good)				
Security Deposit	16.41	16.41	-	-
Advances to related parties	-	-	90.65	90.65
Total	16.41	16.41	90.65	90.65

3.3 Financial Assets - Others

Particulars	As at March 31,	As at March 31,	As at March 31,	As at March 31,
	2019	2018	2019	2018
	Non - Current		Current	
(Unsecured considered good)				
Financial assets (Contract assets)*	90,445.02	96,587.70	18,920.00	18,920.00
Dues receivable from GIPL			395.70	194.06
Interest on Income Tax Receivable	1.83	1.83	-	-
Total	90,446.85	96,589.53	19,315.70	19,114.06

- (a) *The viability of the project and the impairment assessment is dependent upon fructification of a claim for delay days which is attributable to NHAI. This amount will be treated as a separate receivable from NHAI based on the certification of delay period attributable to NHAI as certified by the Independent Engineer. The amount of claim on this account is expected to be Rs.25,072 Lakhs which is supported by an opinion from an independent techno legal consultant based on the documentation and facts of delay and reasons for delay. This cost overrun is being considered as a separate source which will be credited to the financial asset on receipt. On a conservative basis, the company has not accrued any financial income on the same. The management is confident of the claim being allowed to the Company fortified by the opinion of the independent techno legal consultant and there for dose not envisage any impairment towards the financial asset.

4 Deferred Tax Assets

Deferred Tax Asset on account of :

- i) Mat Credit Entitlement

	As at	
	As at March 31,	As at March 31,
	2019	2018
	863.88	640.39
Total	863.88	640.39



5 Other Assets

Particulars	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
	Non - Current		Current	
(unsecured considered good)				
EPC Advance given to Gammon Engineers & Contractors Private Limited (GECPL)*	102.21	362.57	-	-
O&M Advance given to contractor - GIPL	-	460.60	-	-
Advance taxes (net of provisions)	230.21	64.64	-	-
Balances with revenue authorities	-	3.95	0.02	0.02
Deferred Guarantee Commission	3,811.13	4,330.91	519.78	534.96
Prepaid Expenses	-	-	13.36	15.78
Prepaid Upfront Fees	496.36	561.58	65.22	66.80
Other Advances	-	-	0.36	-
Total	4,639.91	5,784.25	598.74	617.56

* As required in the contract the Company is required to pay mobilisation advance towards the said contract which is to be recovered progressively from the bills presented by the EPC contractor. The balance amount of the said mobilisation advance to be recovered from Gammon Engineers & Contractors Private Limited stands at 102.21 Lakhs (Previous year 362.57). These balances are unconfirmed and subject to reconciliation if any.

6 Cash and Bank Balances

Particulars	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
	Non - Current		Current	
A Cash and cash equivalents				
Cash on hand	-	-	0.02	-
	-	-	0.02	-
B Other bank balances*				
Balances with scheduled banks in current account	-	-	2,523.43	1.80
	-	-	2,523.43	1.80
Total (A+B)	-	-	2,523.45	1.80

*Free use of bank balance is restricted as it is monitored by consortium of lenders, hence it is disclosed as other bank balances

7 Equity Share Capital

Particulars	As at March 31, 2019	As at March 31, 2018
Authorised Shares:		
5,00,00,000 shares - March 31, 2019/5,00,00,000 shares - March 31, 2018 (of Rs.10/- each)	5,000.00	5,000.00
Issued, Subscribed & Paid-up:		
5,00,00,000 shares - March 31, 2019/5,00,00,000 shares - March 31, 2018 (of Rs.10/- each)	5,000.00	5,000.00

a) Reconciliation of the equity shares

Particulars	March 31, 2019 Number	March 31, 2019 Amount	March 31, 2018 Number	March 31, 2018 Amount
Equity shares outstanding at the beginning	5,00,00,000	5,000.00	5,00,00,000	5,000.00
Issued during the period	-	-	-	-
Balance of the end of the year	5,00,00,000	5,000.00	5,00,00,000	5,000.00

Terms/rights attached to equity shares:

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive remaining assets of the Company. The distribution will be in proportion to the number of equity shares held by the shareholders.

b) Details of registered shareholders holding more than 5% equity shares in the Company:

Shareholders Equity shares of Rs 10 each paid up	March 31, 2019 Number	March 31, 2019 % of holding	March 31, 2018 Number	March 31, 2018 % of holding
Gammon Infrastructure Projects Limited	5,00,00,000	100%	5,00,00,000	100%
Total	5,00,00,000	100%	5,00,00,000	100%



8 Other Equity

Particulars	As at March 31, 2019	As at March 31, 2018
i) Retained Earnings	664.19	1,672.03
ii) Capital Contribution	16,848.12	16,848.12
Balance at the end of the year	17,512.32	18,520.16

9 Financial Liabilities

9.1 Borrowings

Particulars	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
	Non - Current		Current	
(Secured)				
From Banks				
Indian rupee loans	36,473.40	95,226.00	-	-
Overdue loans	-	-	2,877.30	3,114.94
Current maturities of long term borrowings	-	-	3,135.23	7,463.77
From others (note g)				
Indian rupee loans	24,593.51	-	-	-
Overdue loans	-	-	1,940.25	-
Current maturities of long term borrowings	-	-	2,114.04	-
Less : Shown in other currentliabilities (note 10.3)	-	-	(10,066.81)	(10,578.71)
Total	61,066.91	95,226.00	-	-

The Term Loans from Banks is secured by:

- a first mortgage and charge on all the Company's movable properties, immovable properties, tangible assets, intangible assets, all bank accounts (including escrow accounts) and receivables (including annuity) both present and future save and except the Project Assets;
- The holding company, Gammon Infrastructure Projects Limited has availed an Overdraft facility from Bank of India against which second charge has been created against the project assets of the company. The charge was executed on February 9, 2018 in favour of the bank. However, the creation of charge has not been registered with the Registrar of Companies till date.
- pledge of 30% of equity shares of the Company presently held by GIPL.
- non disposal undertaking (NDU) for 70% of the paid up equity capital of the Company.
- unconditional and irrevocable corporate guarantee of the Promoter guaranteeing the repayment of the secured obligations in the event of termination of the Concession Agreement pursuant to occurrence of any Concessionaire Default during the construction period, which shall stand discharged upon occurrence of the CoD.
- The Company had entered into a Master Restructuring Agreement with its lenders based on which the term loan is repayable in 25 semi-annual instalments commencing August 17, 2017. The amount of repayment is determined as a % of revised loan amount ranging from 0.1% to 30.00% of the loan in respect of each instalment. The interest rate applicable to the Company is the highest of the rates individually determined by each member of the lenders consortium. The rate of interest is 8.90 to 9.05 % (previous year 8.90 to 9.05 %).
- During the year two lenders namely, Yes Bank & Federal Bank have resigned as the lender's agents and assigned the outstanding principle and interest dues along with the underlying securities in favour of Phoenix ARC Pvt Ltd. Vide deed of assignment dated March 22, 2019, and February 26, 2019 respectively. Accordingly the company has substituted the borrowing in the name of new lender.
- On account of the company being marked as non performing assets by the lenders no interest has been charged by some of the lenders. The company has made provision for interest on the basis of the last sanction and last revision of terms. Therefore the loan balances and finance cost are subject to confirmation and consequent reconciliation, if any.
- The schedule for repayment of the term loan is as under :

Particulars	March 31, 2019	March 31, 2018
Instalments payable within 1 year		
Credit facility recalled	31,559.10	
Facility Overdue	4,817.54	3,114.94
Current Maturities	5,249.27	6,954.72
Instalments payable between 2 to 5 years	21,012.16	31,005.35
Instalments payable beyond 5 years	40,054.75	64,729.70
	1,02,692.82	1,05,804.71



j) Continuing Default Disclosure

As on March 31, 2019

Name of the Bank	Ageing	Interest	Principal	Facility
Indian Bank	1 - 90 days	293.21	412.04	Term Loan
	91-180 days	290.78		
	180-270 days	281.90	410.04	
	270-365 days	90.52		
Corporation Bank	1 - 90 days	505.07	618.06	Term Loan
	91-180 days	439.09		
	180-270 days	425.68	615.06	
	270-365 days	258.76		
Punjab & Sindh Bank	1 - 90 days	292.82	412.04	Term Loan
	91-180 days	290.40		
	180-270 days	281.52	410.04	
	270-365 days	77.07		
Phoenix ARC Pvt Ltd	1 - 90 days	700.16	972.42	Term Loan
	91-180 days	686.07		
	180-270 days	665.10	967.70	
	270-365 days	207.19		
Indian Overseas Bank*	-	1,513.41	19,425.09	Term Loan
Bank of Maharashtra*	-	1,056.47	12,134.00	Term Loan
Total		8,355.22	36,376.50	

*Since two of the lenders have recalled their facility during the year, entire outstanding balance is considered as continuing default.

As on March 31, 2018

Name of the Bank	Ageing	Interest	Principal	Facility
Bank of Maharashtra	1 - 90 days	282.48	368.19	Term Loan
Indian Bank	1 - 90 days	335.73	368.19	Term Loan
Indian Overseas Bank	1 - 90 days	607.66	589.10	Term Loan
Corporation Bank	1 - 90 days	424.26	552.28	Term Loan
Federal Bank	1 - 90 days	276.39	276.14	Term Loan
Punjab & Sindh Bank	1 - 90 days	390.58	368.19	Term Loan
Yes Bank	1 - 90 days	454.58	592.88	Term Loan
Total		2,771.68	3,114.94	

k) NPA disclosure

The Project achieved Provisional Commercial Operations Date (PCOD) on September 01, 2016 and thereafter has received 3 (three) annuity payments (semi-annual basis) from the Concessing Authority (the Client). The 3rd (third) annuity payment for the Project was delayed by over 90 (ninety) days, resulting in the Company not being able to meet its debt servicing obligations of 3 (three) out of its 7 (seven) consortium lenders. Since, the delay was for a period of over 90 (ninety) days, these 3 (three) consortium lenders classified the debt provided to the Company as a Non-Performing Asset (NPA) as on March 31, 2018 as per the Reserve Bank of India (RBI) guidelines. Subsequently, on receipt of the 3rd (third) annuity payment, the Lead Bank released the overdue amount of these 3 (three) Lenders. 2 (two) of these 3 (three) lenders reclassified their loan account as 'Standard', while the 3rd (third) lender due to an erroneous transfer of a lower amount towards their debt dues by the Lead Bank, continued to classify their debt as NPA as on March 31, 2018

During the year, PHPL has submitted restructuring/resolution plans to the Banks/Lenders under the Reserve Bank of India's ("RBI") restructuring schemes from time to time, but the Consortium Lenders/Banks have not approved the same. Consequently, PHPL's loan account has been declared as Non-Performing Asset ("NPA") on March 31, 2019 due to non-servicing of debt obligations.

PHPL has submitted a proposal for One-Time Settlement ("OTS") of loans along with change of management at SPV and GIPL level to the Consortium Banks/Lenders and they have approved the proposal for an OTS amount of Rs 665 crores. The OTS proposal is yet to be implemented by PHPL.

l) As at March 31, 2019, out of total consortium lenders, Company was able to obtain balance confirmations from only 1 lender.



9.2 Trade Payables

Particulars	As at March 31,	As at March 31,	As at March 31,	As at March 31,
	2019	2018	2019	2018
	Non - Current		Current	
Trade Payables				
- Micro, Small and Medium Enterprises		-		-
- Other		-	100.79	180.98
Total			100.79	180.98

As per the information available with the Company, there are no Micro, Small, and Medium Enterprises, as defined in the Micro, Small, and Medium Enterprises Development Act, 2006, to whom the Company owes dues on account of principal or interest.

The above information regarding Micro, Small, and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

9.3 Other Financial Liabilities

Particulars	As at March 31,	As at March 31,	As at March 31,	As at March 31,
	2019	2018	2019	2018
	Non - Current		Current	
Current maturities of long term borrowings				
From Bank			3,135.23	7,463.77
From others			2,114.04	-
Overdue loans :(*)				
From Bank			2,877.30	3,114.94
From others			1,940.25	-
Interest accrued :(*)				
Banks			3,526.81	2,771.68
Others			2,258.52	-
Loan recalled by lenders (including interest accrued)(*)			34,128.98	-
Other liabilities			37.47	14.41
Other Staff liabilities			12.48	0.17
Total			50,031.08	13,364.97

(*) Refer Note 9.1 (j) above for continuing default

10. Other Non Financial Liabilities

Particulars	As at March 31,	As at March 31,	As at March 31,	As at March 31,
	2019	2018	2019	2018
	Non - Current		Current	
Duties and Taxes payable			14.78	18.52
Total			14.78	18.52

11 Provisions

Particulars	As at March 31,	As at March 31,	As at March 31,	As at March 31,
	2019	2018	2019	2018
	Non - Current		Current	
Provision for gratuity	5.26	0.87	1.29	1.00
Provision for leave encashment	13.33	2.81	3.62	2.84
Total	18.59	3.68	4.91	3.84

Disclosure in accordance with Ind AS – 19 “Employee Benefits”, of the Companies (Indian Accounting Standards) Rules, 2015.

The company has carried out the actuarial valuation of Gratuity and Leave Encashment liability under actuarial principle, in accordance with Ind AS 19 - Employee Benefits.

Gratuity is a defined benefit plan under which employees who have completed five years or more of service are entitled to gratuity on departure from employment at an amount equivalent to 15 days salary (based on last drawn salary) for each completed year of service restricted to Rs 20 Lakhs (previous year Rs 20 Lakhs) The Company's gratuity liability is unfunded.



i) The amount recognised in the balance sheet and the movements in the net defined benefit obligation over the year is as follow: (Gratuity)

Particulars	As at March 31, 2019	As at March 31, 2018
a) Reconciliation of opening and closing balances of Defined benefit Obligation		
Defined Benefit obligation at the beginning of the year	1.90	1.20
Current Service Cost	1.37	0.36
Interest Cost	0.15	0.08
Actuarial (Gain) /Loss	(1.15)	0.24
Liability transferred in on account of transfer of employees	4.31	-
Benefits paid	-	-
Defined Benefit obligation at the year end	6.55	1.90
b) Reconciliation of opening and closing balances of fair value of plan assets		
Fair Value of plan assets at the beginning of the year	-	-
Expected return on Plan Assets	-	-
Actuarial Gain/ (Loss)	-	-
Employer Contribution	-	-
Benefits Paid	-	-
Fair Value of Plan Assets at the year end	-	-
Actual Return on Plan Assets	-	-
c) Reconciliation of fair value of assets and obligations		
Fair Value of Plan Assets	-	-
Present value of Defined Benefit obligation	6.55	1.90
Liability recognized in Balance Sheet	6.55	1.90
d) Expenses recognized during the year (Under the head "		
Employees Benefit Expenses)		
Current Service Cost	1.37	0.36
Interest Cost	0.15	0.08
Expected Rate of return on Plan Assets	-	-
Past employees Service	-	-
Actuarial (Gain)/Loss	-	-
Net Cost	1.51	0.44

ii) Actuarial assumptions

Particulars	As on	As on
	March 31, 2019 (Rs. In Lakhs)	March 31, 2018 (Rs. In Lakhs)
Mortality Table (LIC)	Gratuity 2006-08 (Ultimate)	Gratuity 2006-08 (Ultimate)
Discount rate (per annum)	7.75%	7.75%
Expected rate of return on Plan assets (per annum)	NA	NA
Rate of escalation in salary (per annum)	6%	6%
Withdrawal rate:		
- upto age of 34	3%	3%
- upto age of 35-44	2%	2%
- upto age 45 & above	1%	1%
Retirement age	60 years	60 years

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors
There is no minimum funding requirement for a gratuity plan in India and there is no compulsion on the part of the company fully or partially pre-fund

iii) Sensitivity analysis

A quantitative Sensitivity analysis for significant assumption as on 31 March 2019

Particulars	Discount rate	Salary growth rate
Change in assumption		
March 31, 2019	1%	1%
March 31, 2018	1%	1%
Increase in assumption		
March 31, 2019	(0.68)	0.69
March 31, 2018	(0.09)	0.10
Decrease in assumption		
March 31, 2019	0.58	(0.59)
March 31, 2018	0.10	(0.09)



12 Revenue from operations

Particulars	For year ended March 31, 2019	For year ended March 31, 2018
i) Revenue as per Service Concession Arrangements		
Construction Revenue	1,819.59	2,500.47
Change of Scope	1,101.86	1,052.55
O & M Revenue	762.46	740.25
	3,683.91	4,293.27
ii) Other operating activity		
Finance Income	10,195.27	11,924.09
Total	13,879.18	16,217.36

ii) Disclosures as required by Appendix D of Ind AS 115 relating to "Service Concession Arrangements: Disclosures"

(a) Description of the Arrangement along with salient features of the project:

The Company entered into a Concession Agreement ('the Contract') with the National Highways Authority of India ('NHA') for the development, maintenance and operation of road from Patna (Hajipur) to Muzaffarpur in the state of Bihar on Build Operate and Transfer ('BOT') Annuity basis. In respect of the project on annuity basis of the Company, The Company has recorded the project in accordance with the requirement of Ind AS 115 with retrospective period in accordance with the requirements of Ind AS 101- First Time Adoption. Accordingly, the Company has recognized "Trade Receivables" being financial asset as against the earlier accounting as per previous GAAP of Intangible Asset under Development. Thus, the company is recognizing construction revenue and financial income as per the "Financial Asset Model" as per Ind AS 115

(b) Obligations of Operations and maintenance

The Company is required to carry out operations and maintenance on the road annually with an obligation to carry out periodic maintenance in terms of the Concession at regular intervals.

(c) Changes to the Concession during the period

Patna Highway Projects Limited ('PHPL') is domiciled in India and having its registered office at second floor, Plot No.360, Block B, Sector 19, Dwarka, New Delhi, South West Delhi, 110075, incorporated under the Companies Act, 1956, on December 22, 2009, as a subsidiary of Gammon Infrastructure Projects Limited ('GIPL'). The Company entered into a Concession Agreement ('the Contract') with the National Highways Authority of India ('NHA') for the development, maintenance and operation of road from Patna (Hajipur) to Muzaffarpur in the state of Bihar on Build Operate and Transfer ('BOT') Annuity basis.

The project has obtained pre-COD on September 1, 2016. In respect of the project on annuity basis of the Company, The Company has recorded the project in accordance with the requirement of Ind AS 115. The Company will have cost overrun on account of issue beyond the scope of the company and attributable to the Grantor. This will not result in any changes in the Annuity from the grantor. However this amount will be treated separately as receivable from the Grantor based on certification of delay period attributable to the Grantor certified by the Independent Engineer. During the year, the management, although having a valid claim for compensation, supported by Independent Engineer's assessment, has decided to account the finance income under the annuity model on the basis of the original plan. The cost overrun attributable to reasons beyond the control of the management and attributable to the grantor is accounted as a separate receivable against the claim. No finance income is accounted on such cost overrun in the annuity model on a conservative basis till the final decision of the realisability is settled pursuant to arbitration and other legal proceedings.

(d) Classification of the Concession

The Company has applied the principles enumerated in Ind AS 115 and has classified the arrangement as a Financial Asset resulting in recognition of an Financial Asset. Revenue is recognised during the construction period as revenue from construction services as well as financial income.

e) Recognition of Construction services revenue and costs:

Particulars	2018-19	2017-18
Revenue recognised	13,879.18	16,217.36
Cost incurred during the period	3,205.57	5,507.51



(f) Disclosure in accordance with Ind AS - 115 "Revenue Recognition Disclosures", of the Companies (Indian Accounting Standards) Rules, 2015

a) Revenue disaggregation based on Service Type and Customer type:

(i) Revenue disaggregation by type of Service is as follows:

Major Service Type	2018-19	2017-18
EPC Contract	2,921.45	3,553.02
Operation and Maintenance	762.46	740.25
	3,683.91	4,293.27

(ii) Revenue disaggregation by Customer Type is as follows:

Customer Type	2018-19	2017-18
Government Companies	3,683.91	4,293.27
Non Government Companies	-	-
	3,683.91	4,293.27

(iii) Revenue disaggregation by geographical regions is as follows:

- In India	3,683.91	4,293.27
- Outside India	-	-
	3,683.91	4,293.27

(iv) Performance obligation and remaining performance obligation

The aggregate value of pending performance obligation in relation to EPC contract is Rs 27000 lakhs (Previous year 21037 lakhs).

(v) Performance to be done in next one year is uncertain based on uncertainty of project detailed in note No. 1(A)

b) Movement in Financial Assets (Contract Asset)

Particulars	Opening	Addition during the year	Converted in to billing	Closing
March 2019	1,15,507.70	12,777.32	(18,920.00)	1,09,365.02
March 2018	1,19,262.97	15,164.72	(18,920.00)	1,15,507.70

13 Other Income

Particulars	For year ended March 31, 2019	For year ended March 31, 2018
Interest on Bank Fixed Deposit	39.80	136.84
Profit on sale of assets	-	1.18
Interest on Income Tax Refund	-	1.83
Provisions written back	3.91	-
Total	43.71	139.84

14 Construction Cost

Particulars	For year ended March 31, 2019	For year ended March 31, 2018
Sub contracting expenses	1,819.59	2,912.04
Change of Scope	955.65	1,052.55
O & M Expense	430.33	1,542.92
Total	3,205.57	5,507.51

15 Employee Cost

Particulars	For year ended March 31, 2019	For year ended March 31, 2018
Salaries and wages	57.20	32.64
Other benefits including Gratuity, Leave encashment, superannuation and other funds	2.13	3.25
Staff welfare expenses	0.37	0.14
Total	59.70	36.04



16 Administrative Expenses

Particulars	For year ended March 31, 2019	For year ended March 31, 2018
Professional fees	222.57	172.08
Legal fees	1.75	-
Sponsorship fees	-	100.00
Motor Car Expenses	20.62	22.67
Insurance expense	40.19	45.01
Electricity charges	62.39	46.96
Filing fees	0.04	0.14
Guarantee commission charges	534.96	542.35
Remuneration to Auditors	-	-
- Audit including tax audit	6.50	9.50
- Certification	-	0.10
Travelling	10.07	5.24
Repairs & Maintenance	-	7.54
Sundry expenses	1.18	3.36
Balances of loans and advances written off	-	1.69
Indirect Taxes written off	10.21	128.43
Liquidated Damages to NHA1	994.90	374.88
Total	1,905.38	1,459.95

17 Finance Charges

Particulars	For year ended March 31, 2019	For year ended March 31, 2018
Interest expense on financial liability at amortised cost	9,805.55	9,286.52
Other finance charges	77.30	80.25
Interest on Income Tax	28.29	-
Total	9,911.14	9,366.77

Since the loan account is NPA and some of the lenders have stopped charging interest, the company has accrued interest cost on the basis of last agreed terms.

18 Depreciation & Amortization

Particulars	For year ended March 31, 2019	For year ended March 31, 2018
Depreciation	-	2.04
Total	-	2.04

19 Tax Expense

Reconciliation of statutory rate of tax and effective rate of tax:

Particulars	For year ended March 31, 2019	For year ended March 31, 2018
Current Tax	93.00	350.00
Short/ (excess) provision for tax of earlier years	(19.43)	290.39
Deferred Tax Liability / (asset)	(223.49)	(640.39)
	-	-
Accounting profit before income tax for the year	(1,158.90)	(15.10)
At India's statutory income tax rate	26.00%	28.84%
Tax on above	(301.31)	(4.36)
Effect of non-deductible expenses	1,616.39	177.32
Effect of ICDS impacts	2,268.43	-
Effect of deductible expenses	(2,586.18)	(0.54)
Effect of b/fd business loss	(997.32)	(172.42)
Income Tax expense (Net)	0.00	-
Tax liability as per MAT		
Book profit	(1,158.90)	(15.10)
Rate of MAT	20.59%	21.34%
MAT on above	(238.58)	(3.22)
Effect of non-deductible expenses	6.86	0.44
Effect of IndAS impacts	322.03	333.86
Effect of deductible expenses	-	(0.44)
Other	2.69	19.36
Minimum Alternate Tax on Book Profit	93.00	350.00



20 Earnings Per Share (EPS)

Net Profit / (loss) attributable to equity shareholders and the weighted number of shares outstanding for basic and diluted earnings per share are as summarised below:

Particulars	For year ended March 31, 2019	For year ended March 31, 2018
Net Profit / (Loss) as per Statement of Profit and Loss	(1,008.99)	(15.10)
Outstanding equity shares at period end	5,00,00,000	5,00,00,000
Weighted average Number of Shares outstanding during the period – Basic & Diluted	5,00,00,000	5,00,00,000
Earnings per Share - Basic & Diluted (Rs.)	(2.02)	(0.03)

Reconciliation of weighted number of outstanding during the period:

Particulars	For year ended March 31, 2019	For year ended March 31, 2018
Nominal Value of Equity Shares (Rs per share)	10.00	10.00
For Basic EPS :		
Total number of equity shares outstanding at the beginning of the period	5,00,00,000	5,00,00,000
Add : Issue of Equity Shares	-	-
Total number of equity shares outstanding at the end of the period	5,00,00,000	5,00,00,000
Weighted average number of equity shares at the end of the period	5,00,00,000	5,00,00,000

Company has not issued any instrument which will dilute the earnings to equity shareholders, therefore Basic EPS and Diluted EPS both are the same.

21 Capital Commitments

Capital commitment amounts related to Service Concession Arrangement are now disclosed as balance performance obligation outstanding to completed as per IND AS 115.

22 Contingent Liabilities

There are no contingent liabilities as on March, 31 2019 (P.Y. Nil)

23 Disclosure in accordance with Ind AS – 108 "Operating Segments", of the Companies (Indian Accounting Standards) Rules, 2015.

The Company's operations comprise only a single business and geographical segment, namely 'Infrastructure Development' in 'India'. Further, the Company's operations are within single geographical segment which is India. As such, there is no separate reportable segment under Ind AS - 108 on Operating Segments.

Only one customers (i.e. NHAI) accounts for 100% of the total revenue earned during the year ended March 31, 2019 and March 31, 2018.

24 Disclosure in accordance with Ind AS - 24 "Related Party Disclosures", of the Companies (Indian Accounting Standards) Rules, 2015 is provided in Statement 1 to the financials

25 Derivative Instruments and Unhedged Foreign Currency Exposure

There are no derivative instruments outstanding as on March 31, 2019 and as on March 31, 2018. The Company has no foreign currency exposure towards liability outstanding as on March 31, 2019 and as on March 31, 2018.

26 Significant Accounting judgements, estimates & assumptions

The financial statements require management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosures of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements

In the process of applying the company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the separate financial statements.

Taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement 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.



Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. For plans operated outside India, the management considers the interest rates of high quality corporate bonds in currencies consistent with the currencies of the post-employment benefit obligation with at least an 'AA' rating or above, as set by an internationally acknowledged rating agency, and extrapolated as needed along the yield curve to correspond with the expected term of the defined benefit obligation. The underlying bonds are further reviewed for quality. Those having excessive credit spreads are excluded from the analysis of bonds on which the discount rate is based, on the basis that they do not represent high quality corporate bonds.

The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates for the respective countries.

27 Financial Instruments

The carrying value and fair value of financial instruments by categories as at March 31, 2019 and March 31, 2018 is as follows:

Particulars	Carrying value		Fair value	
	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18
Financial Assets				
Amortized Cost				
Loans and advances	107.06	107.07	107.06	107.07
Trade receivables	15,250.27	9,460.00	15,250.27	9,460.00
Cash and bank balances	2,523.45	1.80	2,523.45	1.80
Others	1,09,762.55	1,15,703.59	1,09,762.55	1,15,703.59
Financial Liabilities				
Amortized cost				
Long term borrowings	61,066.91	95,226.00	61,066.91	95,226.00
Short term borrowings	-	-	-	-
Trade payable	100.79	180.98	100.79	180.98
Others	50,031.08	13,383.48	50,031.08	13,383.48

28 Financial risk management objectives and policies

The Company is in the business of development, maintenance and operation of road from Patna (Hajipur) to Muzaffarpur in the state of Bihar on Annuity basis. The nature of the business is capital intensive and the Company is exposed to traffic volume risks. BOT projects which the Company undertakes are capital intensive and have gestation periods ranging between 3 to 5 years; coupled with longer ownership periods of 15 to 35 years. Given the nature of the segments in which the company operates, it is critical to have a robust, effective and agile Risk Management Framework to ensure that the Company's operational objectives are met and continues to deliver sustainable business performance.

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk, and interest rate risk, regulatory risk and business risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The primary market risk to the company is interest rate risk.

The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below:

Business / Market Risk

Since the project is on annuity basis, the biggest business risk is ensuring the concession terms are adequately adhered to and the project is completed as per the business plan to ensure cash flow from annuity is recorded on time.

Input cost risk

Raw materials, such as bitumen, stone aggregates cement and steel, need to be supplied continuously to complete projects undertaken by the group. As mentioned in the earlier paragraph of the business risk and the competition risk the input cost is a major risk to attend to ensure that the Company is able to contain the project cost within the estimate projected to the lenders and the regulators. To mitigate this the company has sub-contracts the construction of the facility at a fixed price contract to various subcontractor within and without the group.



Interest rate sensitivity

Interest cost on borrowings is the single largest cost for the company

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Companies profit before tax is affected through the impact on floating rate borrowings, as follows:

Particulars	Increase/ Decrease in basis points	Effects on Profit before tax.
		(Rs in Lakhs)
Mar-19	+100	(1,110.48)
	-100	1,110.48
Mar-18	+100	(1,085.76)
	-100	1,085.76

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment, showing a significantly higher volatility than in prior years.

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers. Credit risk arises from cash held with banks and financial institutions, as well as credit exposure to clients, including outstanding accounts receivable. The maximum exposure to credit risk is equal to the carrying value of the financial assets. In case of the company, the credit risk is minimal as the customer is NHAI, a Government of India Undertaking.

Trade & other Receivables

The maximum exposure to the credit risk at the reporting date is primarily from trade receivables amounting to Rs.1,24,615.28 Lakhs as at March 31, 2019 and Rs.1,24,967.70 Lakhs as at March 31, 2018, which is from NHAI, the Government Undertaking Company.

Liquidity risk

The company has outstanding borrowings of Rs. 1,02,692.82 Lakhs as at March 31, 2019 and Rs 1,05,804.71 Lakhs as at March 31, 2018.

Timely completion of the project and receipt of annuity payment on time has a major impact on the liquidity of the company. The delay caused due to the grantor and the timely receipt of compensation from the grantor impacts liquidity of the company.

Exchange risk

Since the operations of the company are within the country, the company is not exposed to any exchange risk directly. The company also does not take any foreign currency borrowings to fund its project and therefore the exposure directly to exchange rate changes is minimal.

However there are indirect effects on account of exchange risk changes, as the price of bitumen, which is a by-product of the crude, is dependent upon the landed price of crude in the country.

29 Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital, convertible preference shares, share premium and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payment 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.

Particulars	As on March 31, 2019 (Rs.)	As on March 31, 2018 (Rs.)
Long term borrowings including ICD	71,133.72	1,05,804.71
Less: cash and cash equivalents	2,523.45	1.80
Net debt	68,610.28	1,05,802.91
Equity including reserve	22,512.32	23,520.16
Gearing ratio	0.33	0.22

In order to achieve this overall objective, the Company capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2019 and 31 March 2018.



30 Disclosure pursuant to Ind AS 7 "Statement of Cash Flows" - Changes in liabilities arising from financing activities:

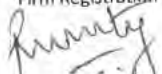
Particulars	Non-current borrowings (Note 10.1)	Current borrowings	Current maturities including Overdues and recalled (Note 10.3)	Total
Opening balance	95,226.00	-	13,350.39	1,08,576.39
Changes from financing cash flows				
Long Term Loans repaid	-	-	(3,111.89)	(3,111.89)
Interest paid	-	-	(4,222.00)	(4,222.00)
Interest accrued	-	-	9,805.55	9,805.55
Other changes (transfer withincategories)	(34,159.09)		34,159.09	-
Closing balance	61,066.91	-	49,981.13	1,11,048.04

31 Comparative period

Previous year figures are regrouped / reclassified wherever necessary.

32 The balance sheet, statement of profit and loss, cash flow statement, statement of changes in equity, statement of significant accounting policies and the other explanatory notes form an integral part of the financial statements of the Company for the year ended March 31, 2019


As per our report of even date attached
For Natvarlal Vepari & Co
Chartered Accountants
Firm Registration No. 106971W


Ruchi Tamhankar
Partner
M.No.- 136667



Place: Mumbai
Date: 27th May 2019

For and on behalf of the Board of Directors
Patna Highway Projects Limited


Naresh Sasanwar
Director
DIN: 01861034


Mineel Mali
Director
DIN: 06641595

PATNA HIGHWAY PROJECTS LIMITED
CIN : U74999DL2009PLC197265
STATEMENT I
For the period ended March 31, 2019

Disclosure in accordance with Ind AS - 24 "Related Party Disclosures", of the Companies (Indian Accounting Standards) Rules, 2015

a) Names of the related parties and related party relationships

Related parties where control exists :

1. Gammon India Limited	Ultimate holding company (upto September 7, 2017)
2. Gammon Infrastructure Projects Limited	Holding company
3. Pravara Renewable Energy Limited	Fellow subsidiary
4. Sikkim Hydro Power Venture Ltd	Fellow subsidiary

b) Related party transactions

Transactions	Rs in Lakhs
Inter-corporate loan taken	
Gammon Infrastructure Projects Ltd	(400.00)
Inter-corporate loan repaid	
Gammon Infrastructure Projects Ltd	(400.00)
Outstanding loan balances payable	
Gammon Infrastructure Projects Ltd	16,848.12 (16,848.12)
Guarantee commission on Corporate Guarantee by:	
Gammon Infrastructure Projects Ltd	534.96 (542.35)
Deferred Guarantee Commission (Outstanding Balances)	
Gammon Infrastructure Projects Ltd	4,330.91 (4,865.87)
Expenses Incurred by the company on behalf of:	
Gammon Infrastructure Projects Ltd	- (2,847.00)
Pravara Renewable Energy Ltd	- (20.00)
Expenses incurred on behalf of the company by:	
Gammon Infrastructure Projects Ltd Paid	365.35 (2,241.08)
Operation & Maintenance expenses incurred during the year	
Gammon Infrastructure Projects Ltd Paid	415.18 (1,728.07)
Payments against Operation & Maintenance expenses	
Gammon Infrastructure Projects Ltd Paid	- (966.69)
Operation & Maintenance advance outstanding	
Gammon Infrastructure Projects Ltd	- (460.60)
Outstanding Balances Receivable	
Gammon Infrastructure Projects Ltd	395.70 (194.06)
Pravara Renewable Energy Ltd	73.00 (73.00)
Sikkim Hydro Power Venture Ltd	17.65 (17.65)
Guarantee Given by	
Gammon Infrastructure Projects Ltd	1,08,600.00 (1,08,600.00)

(Previous year's figure in brackets)

All the above transactions are made on terms equivalent to those that prevail in arm's length transactions.

