

INDEPENDENT AUDITORS' REPORT ON STANDALONE FINANCIAL STATEMENTS

To
The Members of
MEP CHENNAI BYPASS TOLL ROAD PRIVATE LIMITED

Report on the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **MEP CHENNAI BYPASS TOLL ROAD PRIVATE LIMITED** ("the Company"), which comprise the Balance sheet as at March 31, 2021, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

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 Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, the loss and total other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. 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 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

1. We draw attention to note no 29 to the accompanying financial statements, where it is mentioned that company has preferred claims with National Highway Authority of India (the Authority), aggregating to Rs. 33,973.75 lakhs plus interest thereon on account of Toll Evasion and Force Majeure issues arising from non-compliance of the Concession Agreement by Authority. However, the Company has not recognized the claims in the financial statements pending final approval from the Authority. Also, the Subsidiary Company has not recognized contractual obligations to pay to the Authority, a sum of Rs. 13,123.19 lakhs for the period from November 1, 2014 to March 31, 2017. The approval by NHA of the claims made by the company, based on the assessment of the Independent Engineer appointed by it, is pending and hence no provision for the unpaid amount is considered necessary till March 2021.
2. We draw attention to note no. 31 to the accompanying financial statements; the company's net worth is fully eroded and has negative net worth of Rs. 10,484.41 Lakhs. The company has incurred a loss of

Rs. 303.97 Lakhs for the year ended March 31, 2021 indicating the existence of uncertainty that may cast significant doubt about company's ability to continue as a going concern. Considering the matter set out in the said note, these financial statements are prepared on going concern basis.

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

Other Matters

The Comparative financial information of the Company for the year ended March 31, 2020 are based on previously issued Standalone IND AS Financial Statements prepared in accordance with Companies (Indian Accounting Standards) Rules, 2015, audited by predecessor auditor whose report for the year ended on March 31, 2020 dated July 31, 2020, expressed an Unmodified opinion on those Standalone Ind AS Financial Statements.

Our opinion is not modified in respect of these matters.

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises of the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

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

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

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

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the 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 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 implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a 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.

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

Report on Other Legal and Regulatory Requirements

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

(I) 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, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant 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 31st March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) The requirement of reporting, the adequacy of Internal Control on Financial Reporting & its operating effectiveness, as mentioned in Section 143(3)(i) of the Companies Act 2013, is not applicable, as per serial no. 5 of notification No. G.S.R. 583(E) of circular dated 13th June, 2017.

(II) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company does not have any pending litigations which would impact on its financial position as per information and explanation provided by Company's Management.
- ii. The Company does not have any long-term contracts including derivative contracts for which there are any material foreseeable losses.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

(III) With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For G. D. Apte & Co.
Chartered Accountants

Firm Registration Number: 100515W

CHETAN
RAMESH
SAPRE
Chetan R. Sapre

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CHETAN RAMESH
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Partner

Membership No: 116952

UDIN: 21116952AAABVX7508

Place: Mumbai

Date: June 25, 2021

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ANNEXURE - A TO THE INDEPENDENT AUDITORS' REPORT ON STANDALONE FINANCIAL STATEMENTS MEP CHENNAI BYPASS TOLL ROAD PRIVATE LIMITED

(Referred to in paragraph I under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date)

- i.
 - a) The Company has maintained proper records showing full particulars including quantitative details and location of property, plant and equipment for the year.
 - b) The Company has regular program of physical verification of its fixed assets by which all fixed assets are verified in a phased manner over a period of two years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified during the year and no material discrepancies were found.
 - c) According to the information and explanations given to us and based on the records produced, the company does not have any immovable property, accordingly reporting under clause 3 (i) (c) of the order is not applicable to the Company.
- ii. The company is engaged in toll collection business. Accordingly, it does not have hold any physical inventory as on the balance sheet, accordingly reporting under clause 3 (ii) of the order is not applicable to the Company.
- iii.
 - a) During the year the company has not granted unsecured loan to any company covered in the register maintained under Section 189 of the Act. In our opinion and according to the information and explanations given to us, the terms and conditions of the loan are not prejudicial to the company's interest.
 - b) In respect of the loans granted to the companies listed in the register maintained under section 189 of the Act, there is no principal amount due for payment during the year and the borrowers shall repay the principal amount as stipulated in the agreement. However, there is no stipulation of schedule for payment of interest and hence we are unable to make comment on regularity of payment of interest.
 - c) According to the information and explanations given to us, there is no amount of loan granted to the companies listed in the register maintained under section 189 of the Act, which are overdue and outstanding for more than ninety days. However, in absence of stipulation of schedule for payment of interest, we are unable to comment as to whether there is any amount which is overdue for more than 90 days and whether reasonable steps have been taken by the Company for recovery of the principal amount and interest.
- iv. According to the information and explanations given to us, there are no loans, investments, guarantees, and securities in respect of which provisions of section 185 and section 186 of the Act are applicable.
- v. In our opinion and according to the information and explanations given to us, the company has not accepted any deposits as per the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 of the Act and the rules framed. Accordingly, paragraph 3(v) of the order is not applicable to the company.

- vi. According to the information and explanation given to us, the company is not required by Central Government to maintain the cost records under section 148(1) of the Companies Act, 2013. Therefore, provisions of clause 3(vi) of the Companies (Auditor's Report) Order, 2016 are not applicable to the company.
- vii.
 - a) According to the information and explanations given to us and, on the basis of our examination of our records of the Company, that the Company is regular in payment of undisputed statutory dues including Provident Fund, Employees State Insurance, Income Tax and other statutory dues with the appropriate authorities. According to the information and explanation given to us, the company did not have any dues on account of Sales Tax, Service Tax, Goods and Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess.
 - b) According to the information and explanation given to us, there are no undisputed amounts payable in respect of income tax and sales tax or provided fund or goods and service tax act or other statutory dues were outstanding, at the year end, for a period more than six months from the date they become payable.
 - c) According to the information and explanation given to us, there are no dues of income tax sales- tax, wealth tax, service tax, duty of customs, duty of excise, value added tax and cess which have not been deposited on account on any dispute.
- viii. In our opinion and according to the information and explanation given to us, the company does not have any borrowings from financial institutions, banks and Government during the year and has not issued any debentures. Therefore, the provisions of clause (viii) of the Order are not applicable to the Company.
- ix. According to the information and explanations given to us and on the basis of examination of records, the Company has neither obtained new term loans nor raised any money by way of initial public offer or further public offer of shares and/or debt instruments during the year. Therefore, the provisions of clause (ix) of the Order are not applicable to the Company.
- x. According to the information and explanation given to us, no fraud on or by the company, by its officers and employees has been noticed or reported during the course of our audit.
- xi. According to the information and explanations given to us and based on our examination of records of the Company, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company and accordingly the provisions of clause (xii) of the Order are not applicable to the Company.
- xiii. According to the information and explanations given to us and based on our examination of records of the Company, the transactions entered with related parties are in compliance with provisions of section 177 and 188 of the Act, where applicable and the details of such transactions are disclosed in the Standalone Financial Statements as required by the applicable accounting standards.
- xiv. In our opinion and according to the information and explanation given to us, during the year the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review Therefore, the provisions of clause 3 (xiv) of the Order are not applicable.

- xv. In our opinion and according to the information and explanations given to us and based on our examination of records of the Company, the Company during the year has not entered into any non-cash transactions with directors or persons connected with the directors and accordingly the provisions of clause (xv) of the Order are not applicable to the Company.
- xvi. In our opinion and according to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and accordingly the provisions of clause (xvi) of the Order are not applicable to the Company.

For G. D. Apte & Co.
Chartered Accountants

Firm Registration Number: 100515W

CHETAN RAMESH SAPRE
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CHETAN RAMESH
SAPRE
Date: 2021.06.25
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Chetan R. Sapre

Partner

Membership No: 116952

UDIN: 21116952AAABVX7508

Place: Mumbai

Date: June 25, 2021

MEP Chennai Bypass Toll Road Private Limited

Balance sheet as at 31 March 2021

(Currency : ₹ in lakhs)

	Notes	As at March 31, 2021	As at March 31, 2020
ASSETS			
Non current assets			
Property, Plant and Equipment	3	1.60	2.32
Income tax assets	4	-	9.96
Other non current assets	5	-	12.19
Total non current assets		1.60	24.48
Current assets			
Financial Assets			
i Cash and cash equivalents	6	3.26	5.40
ii Loans	7	594.00	594.38
iii Other financial assets	8	308.21	308.24
Other current assets	9	0.10	37.46
Total current assets		905.57	945.48
Total Assets		907.16	969.96
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	10	516.00	516.00
Other Equity	11	(11,000.41)	(10,696.44)
Total Equity		(10,484.41)	(10,180.44)
Liabilities			
Current liabilities			
Financial liabilities			
i Trade payables	12	-	-
Total outstanding dues of micro enterprises and small enterprises		-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		11,040.17	11,039.68
ii Other financial liabilities	13	351.09	110.69
Other current liabilities	14	0.30	0.03
Total current liabilities		11,391.57	11,150.40
Total liabilities		11,391.57	11,150.40
Total Equity and Liabilities		907.16	969.96
Significant Accounting Policies	2		
Notes to Financial Statements	3 - 34		

The notes referred to above form an integral part of the financial statements.
As per our report of even date attached.

For G. D. Apte & Co.

Chartered Accountants

Firm's Registration No: 100515W

CA. Chetan. R. Sapre
Partner

Membership No: 116952

Place: Mumbai

Date: 25 June 2021



For and on behalf of the Board of Directors
MEP Chennai Bypass Toll Road Private Limited
CIN : U45400MH2013PTC239203

Subramany Padmanabhan

Director

DIN: 07185743

Mumbai

Date: 25 June 2021

Priya Joshi

Director

DIN: 07185523

Mumbai

MEP Chennai Bypass Toll Road Private Limited
Statement of Profit and Loss for the year ended 31 March 2021
(Currency : ₹ in lakhs)

	Note	For the year ended March 31, 2021	For the year ended March 31, 2020
I Revenue from operations		-	-
II Other income	15	-	13.77
III Total Income (I + II)		-	13.77
IV Expenses			
Operating and maintenance expenses		-	-
Employee Benefits Expenses	16	0.01	0.77
Depreciation and amortisation expense	3	0.73	1.08
Finance costs	17	216.24	215.06
Other expenses	18	77.03	70.16
Total Expenses (IV)		294.01	287.07
V Profit before exceptional item and tax from continuing operations		(294.01)	(273.30)
VI Exceptional items		-	-
VII Profit before tax (VI-V)		(294.01)	(273.30)
VIII Income Tax expense			
Current tax		-	-
For current year		-	-
Deferred tax		-	-
Excess provision of earlier years		9.96	-
Total tax expense		9.96	-
IX Profit from continuing operations (VIII-VII)		(303.97)	(273.30)
Discontinued Operations			
Profit from discontinued operation before tax		-	-
Tax expense of discontinued operations		-	-
Profit / (Loss) from discontinued operations		-	-
X Other Comprehensive Income/(loss) from continued operations			
A (i) Items that will not be reclassified to profit or loss			
Remeasurement of defined benefit obligations		-	-
(ii) Income tax relating to above items that will not be reclassified to profit or loss		-	-
Other Comprehensive Income/(loss) from continued operations (Net of tax)		-	-
XI Total Comprehensive Income/(loss) from continued operations (VII+VIII) (Comprising Profit and Other Comprehensive Income for		(303.97)	(273.30)
Basic and diluted earnings per share (Rs.)	25	(5.89)	(5.30)

Significant Accounting Policies 2
Notes to Financial Statements 3 - 34

The notes referred to above form an integral part of the financial statements.
As per our report of even date attached.

For G. D. Apte & Co.
Chartered Accountants
Firm's Registration No: 100515W

CA. Chetan. R. Sapre
Partner
Membership No: 116952
Place: Mumbai
Date: 25 June 2021



For and on behalf of the Board of Directors
MEP Chennai Bypass Toll Road Private Limited
CIN : U45400MH2013PTC239203

Subramany Padmanabhan
Director
DIN: 07185743
Mumbai
Date: 25 June 2021

Pratik Joshi
Director
DIN: 07185523
Mumbai

MEP Chennai Bypass Toll Road Private Limited
(Currency : ₹ in lakhs)
Cash Flow Statement for the year ended March 31, 2021

	For the year ended March 31, 2021	For the year ended March 31, 2020
CASH FLOW FROM OPERATING ACTIVITIES:		
(Loss)/Profit before exceptional items and tax	(294.01)	(273.30)
Adjustments for:		
Depreciation and amortisation	0.73	1.08
Finance costs	216.24	215.06
Operating profit before working capital changes	(77.04)	(57.16)
Adjustments for changes in working capital:		
(Increase)/Decrease in non-current tax assets	-	28.70
(Increase)/Decrease in non-current assets	12.19	(12.00)
(Increase)/Decrease in current Financial assets	0.04	341.57
(Increase)/Decrease in Other current assets	37.36	22.06
Increase/(Decrease) in trade payables	0.50	(2.55)
Increase/(Decrease) in current financial liabilities	240.41	(104.65)
Increase/(Decrease) in other current liabilities	0.27	(0.01)
Cash generated from operations	213.71	215.97
Income tax paid	-	-
Net cash from operating activities	213.71	215.97
CASH FLOW FROM INVESTING ACTIVITIES:		
Repayment of Security deposit	0.38	-
Interest received	-	-
Net cash (used in) investing activities	0.38	-
CASH FLOW FROM FINANCING ACTIVITIES:		
Borrowing costs	(216.24)	(215.06)
Net cash generated from/(used in) financing activities	(216.24)	(215.06)
Net Increase/(Decrease) in cash and cash equivalents	(2.15)	0.93
Cash and cash equivalents as at the beginning of the year	5.40	4.47
Cash and cash equivalents as at the end of the year	3.26	5.40
Cash and cash equivalents		
Cash on hand	-	-
Bank balances		
In current accounts	3.26	5.40
	3.26	5.40

1. The above cash flow statement has been prepared under the indirect method as set out in Indian Accounting standard 7 Cash Flow Statement notified under section 133 of the Companies Act, 2013 ('Act') read with Rule 4 of the Companies (Indian Accounting Standards) Rules, 2015 and the relevant provisions of the Act.

2. Figures in bracket indicate cash outflow

The notes referred to above form an integral part of the financial statements.
As per our report of even date attached.

For G. D. Apte & Co.
Chartered Accountants
Firm's Registration No: 100515W

CA. Chetan. R. Sapre
Partner
Membership No: 116952
Place: Mumbai
Date: 25 June 2021



For and on behalf of the Board of Directors
MEP Chennai Bypass Toll Road Private Limited
CIN : U45400MH2013PTC239203

Subramany Padmanabhan
Director
DIN: 07185743
Mumbai
Date: 25 June 2021

Priya Joshi
Director
DIN: 07185523
Mumbai

MEP Chennai Bypass Toll Road Private Limited
(Currency : ₹ in lakhs)

Statement of Changes in Equity

A. Equity Share Capital

Particulars	Amount
Balance as at March 31, 2019	516.00
Changes in equity share capital during the period	-
Balance as at March 31, 2020	516.00
Changes in equity share capital during the period	-
Balance as at March 31, 2021	516.00

B. Other Equity

Particulars

Balance as at March 31, 2019
Profit for the year
Balance as at March 31, 2020
Profit for the year
Balance as at March 31, 2021

Reserves and Surplus	
Retained earnings	Total
(10,423.14)	(10,423.14)
(273.30)	(273.30)
(10,696.44)	(10,696.44)
(303.97)	(303.97)
(11,000.41)	(11,000.41)

As per our report of even date attached.

For G. D. Apte & Co.

Chartered Accountants

Firm's Registration No: 100515W

CA. Chetan. R. Sapre
Partner

Membership No: 116952

Place: Mumbai

Date: 25 June 2021



For and on behalf of the Board of Directors

MEP Chennai Bypass Toll Road Private Limited

CIN : U45400MH2013PTC239203

Subramany Padmanabhan
Director

DIN: 07185743

Mumbai

Date: 25 June 2021

Priya Joshi
Director
DIN: 07185523
Mumbai

MEP Chennai Bypass Toll Road Private Limited

(Currency: Indian Rupees in lakhs)

Notes to Financial Statements

for the year ended March 31, 2021

1 Corporate information

MEP Chennai Bypass Toll Road Private Limited ('MEPCBTRPL') ('the Company') was incorporated on 1 January 2013 under the Companies Act, 1956 ('the Act') with Corporate Identity Number (CIN) U45400MH2013PTC239203. The Company has been awarded toll collection rights along with operation & maintenance of Chennai By-pass stretch from km.0.000 to km.32.600 in the state of Tamil Nadu on Operate, maintain and transfer basis for a period of 9 years w.e.f from 14th May 2013 by National Highways Authority of India "NHAI"

The Company is a subsidiary of MEP Infrastructure Developers Limited ('the Holding Company'), a Company incorporated in India.

2 Statement of Significant Accounting Policies

2.1 Basis of preparation

These financial statements of the Company for the year ended March 31, 2021 along with comparative financial information for the year March 31, 2020 have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

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

- certain financial assets and liabilities that are measured at fair value;
- assets held for sale – measured at fair value less cost to sell;
- defined benefit plans – plan assets measured at fair value

Current non-current classification

All assets and liabilities have been classified as current or noncurrent as per the Company's operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of business and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current – non current classification of assets and liabilities.

2.2 Functional and presentation currency

These standalone financial statements are presented in Indian rupees, which is the Company's functional currency. All amounts have been rounded to the nearest lakhs, unless otherwise indicated.

2.3 Critical accounting judgements and key sources of estimation uncertainty

The preparation of financial statements in accordance with Ind AS requires use of estimates and assumptions for some items, which might have an effect on their recognition and measurement in the (standalone) balance sheet and (standalone) statement of profit and loss. The actual amounts realised may differ from these estimates.

Estimates and assumptions are required in particular for:

a) Property, plant and equipment :

Determination of the estimated useful lives of tangible assets and the assessment as to which components of the cost may be capitalised. Useful lives of tangible assets are based on the life prescribed in Schedule II of the Companies Act, 2013. In cases, where the useful lives are different from that prescribed in Schedule II, they are based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support. Assumptions also need to be made, when the Company assesses, whether an asset may be capitalised and which components of the cost of the asset may be capitalised.



b) **Recognition and measurement of defined benefit obligations :**

The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation and vested future benefits and life expectancy. The discount rate is determined based on the prevailing market yields of Indian Government Securities as at the Balance Sheet Date for the estimated term of the obligations.

c) **Recognition of deferred tax assets :**

A deferred tax asset is recognised for all the deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised. The management is reasonably certain that taxable profits will be available to absorb carried forward losses while recognising deferred tax assets.

d) **Recognition and measurement of other provisions :**

The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the balance sheet date. The actual outflow of resources at a future date may therefore vary from the figure included in other provisions.

e) **Discounting of long-term financial instruments :**

All financial instruments are required to be measured at fair value on initial recognition. In case of financial instruments which are required to subsequently measured at amortised cost, interest is accrued using the effective interest method.

2.4 **Measurement of fair values**

The Company's accounting policies and disclosures require the measurement of fair values for financial instruments. When measuring the fair value of a financial asset or a financial liability, fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Company recognises transfers due to change between levels of the fair value hierarchy at the end of the reporting period.

2.5 **Significant accounting policies**

i) **Property, plant & equipment :**

a) **Recognition and measurement**

Property, plant & equipments are stated at cost, less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price, any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management and the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which an entity incurs, either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.

Income and expenses related to the incidental operations, not necessary to bring the item to the location and condition necessary for it to be capable of operating in the manner intended by management, are recognised in profit or loss.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment. Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

b) **Depreciation / amortization**

Depreciation is provided on a pro-rata basis on the written down value method over the estimated useful life of the assets. Depreciation on addition/deletion of fixed assets during the year is provided on pro-rata basis from / to the date of addition/deletion. Fixed assets costing up to Rs. 5,000 individually are fully depreciated in the year of purchase.

Useful life of the asset is taken, as specified in Schedule II of the Companies Act, 2013

c) **Subsequent expenditure**

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company



d) Impairment of fixed assets

The carrying values of assets at each balance sheet date are reviewed for impairment if any indication of impairment exists.

If the carrying amount of the assets exceed the estimated recoverable amount, an impairment is recognized for such excess amount. The impairment loss is recognized as an expense in the Statement of Profit and Loss, unless the asset is carried at revalued amount, in which case any impairment loss of the revalued asset is treated as a revaluation decrease to the extent a revaluation reserve is available for that asset.

The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.

When there is indication that an impairment loss recognized for an asset (other than a revalued asset) in earlier accounting periods no longer exists or may have decreased, such Reversal of impairment loss is recognized in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss. In case of revalued assets such Reversal is not recognized.

ii) Intangible assets

Toll Collection Rights

a) Recognition and Measurement

Toll collection rights are stated at cost, less accumulated amortisation and impairment losses. Cost includes:
Contractual Upfront / monthly /fortnightly payments towards acquisition

b) Amortisation

Intangible assets i.e. toll collection rights are amortised over the tenure of the respective toll collection contract.

iii) Borrowing cost

Borrowing costs are interest and other costs related to borrowing that the Company incurs. in connection with the borrowing of funds and is measured with reference to the effective interest rate applicable to the respective borrowing. Borrowing costs include interest costs measured at Effective Interest Rate (EIR) and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Ancillary borrowing costs are amortised over the tenure of the loan.

Borrowing costs that are attributable to acquisition or construction of qualifying assets are capitalized as a part of cost of such assets till the time the asset is ready for its intended use. A qualifying assets is the one that necessarily takes substantial period of time to get ready for intended use. Other borrowing costs are recorded as an expense in the year in which they are incurred. Ancillary borrowing costs are amortised over the tenure of the loan.

iv) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

A Financial assets

Classification

The Company shall classify financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset

Initial recognition and measurement

Financial assets are recognised when the Company becomes a party to a contract that gives rise to a financial asset of one entity or equity instrument of another entity. Financial assets are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets, other than those designated as fair value through profit or loss (FVTPL), are added to or deducted from the fair value of the financial assets, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets at FVTPL are recognised immediately in statement of profit and loss.



Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

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

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

Debt instruments at FVOCI

A 'debt instrument' is measured at the Fair value through other comprehensive income(FVOCI) if both the following conditions are met:

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

For assets classified as subsequently measured at FVOCI, interest revenue, expected credit losses, and foreign exchange gains or losses are recognised in profit or loss. Other gains and losses on remeasurement to fair value are recognised in OCI. On derecognition, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss.

Debt instrument at fair value through profit and loss (FVTPL)

Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVOCI, is classified as at FVTPL.

In addition, the group may elect to classify a debt instrument, which otherwise meets amortized cost or FVOCI criteria, as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

Equity investments

All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company decides to classify the same either as at FVOCI or FVTPL. The group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to profit and loss, even on sale of investment. However, the group may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

Further, the Company has elected the policy to account to continue the carrying value for its investments in subsidiaries and associates as recognised in the financial statements as at the date of transition to Ind ASs, measured as per the previous GAAP as at the date of transition (April 1, 2015) as per the exemption available under Ind AS 101. Also, in accordance with Ind AS 27 Company has elected the policy to account investments in subsidiaries and associates at cost.

Derecognition

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

- a) The rights to receive cash flows from the asset have expired, or
- b) The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) it has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset



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

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

Financial assets of the Company comprise of trade receivable and other receivables consisting of debt instruments e.g., loans, debt securities, deposits, and bank balance. Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. An impairment loss for trade and other receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables. Impairment losses if any, are recognised in profit or loss for the period.

B Financial liabilities

Financial instruments with a contractual obligation to deliver cash or another financial asset is recognised as financial liability by the Company.

i) Classification

The Company classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through profit or loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value.

ii) Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings or payables

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable and incremental transaction cost.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

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

iii) Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

iv) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

v) Leases

The company has no lease or any contract containing lease as per IND AS 116. Accordingly, no disclosure has been made on the same.

vi) Trade Receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost, less provision for impairment.



vii) Cash and cash equivalents

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

viii) Provisions, contingent liabilities and contingent assets

A provision is recognized when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the notes to the financial statements. Contingent assets are not recognized in the financial statements

Further, long term provisions are determined by discounting the expected future cash flows specific to the liability. The unwinding of the discount is recognised as finance cost. A provision for onerous contracts is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Company recognises any impairment loss on the assets associated with that contract.

ix) Revenue recognition

Revenue is recognised to the extent it is probable that the economic benefits will flow to the Company, the revenue can be reliably measured and no significant uncertainty as to the measurability and collectability exists.

Toll collection

Revenue from toll collection is recognised on actual collections of toll and in case of contractual terms with certain customers, the same is recognised on an accrual basis.

Other income

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the effective rate of interest.

Dividend income is recognised in profit or loss on the date on which the Company's right to receive payment is established.

x) Retirement and other employee benefits

a) Short term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages etc. and the expected cost of ex-gratia are recognized in the period in which the employee renders the related service. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

b) Post Employment Employee Benefits

Retirement benefits to employees comprise payments to government provident funds, gratuity fund and Employees State Insurance.

Defined contribution plans

The Company's contribution to defined contributions plans such as Provident Fund, Employee State Insurance and Maharashtra Labour Welfare Fund are recognised in the Statement of Profit and Loss in the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective Funds.

Defined benefit plans

Gratuity liability is defined benefit obligation. The Company's net obligation in respect of the gratuity benefit scheme is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value.

The present value of the obligation under such defined benefit plan is determined based on actuarial valuation by an independent actuary, using the projected unit credit method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan, are based on the market yields on Government securities as at the Balance Sheet date.

Remeasurement of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in Other Comprehensive Income. Net interest expense (income) on the net defined liability (assets) is computed by applying the discount rate, used to measure the net defined liability (asset), to the net defined liability (asset) at the start of the financial year after taking into account any changes as a result of contribution and benefit payments during the year. Net interest expense and other expenses related to defined benefit plans are recognised in Statement of Profit and Loss.



When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in Statement of Profit and Loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs..

Actuarial gains/losses are recognized in the other comprehensive income.

xi) Income taxes

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with Income Tax Act, 1961. Deferred income tax reflects the impact of current year timing differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes and Reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves. Unrecognized deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used

Deferred tax assets and liabilities are offset only if:

- a) the entity has a legally enforceable right to set off current tax assets against current tax liabilities; and
- b) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity

Deferred tax asset / liabilities in respect of on temporary differences which originate and reverse during the tax holiday period are not recognised. Deferred tax assets / liabilities in respect of temporary differences that originate during the tax holiday period but reverse after the tax holiday period are recognised. The tax effect is calculated on the accumulated timing differences at the year-end based on the tax rates and laws enacted or substantially enacted on the balance sheet date.

Minimum alternate tax credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each balance sheet date and the carrying amount of the MAT credit is written down to the extent there is no longer a convincing evidence to the effect that the Company will pay normal income tax during the specified period.

xii) Earnings Per Share

a) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners. of the Company
- by the weighted average number of equity shares outstanding during the financial year

b) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

xiii) Subsequent event

No subsequent event has been observed which may required on adjustment to the balance sheet.

xiv) Recent Accounting Pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from 1st April, 2021. MCA issued notifications dated 24th March, 2021 to amend Schedule III to the Companies Act, 2013 to enhance the disclosures required to be made by the Company in its financial statements. These amendments are applicable to the Company for the financial year starting 1st April, 2021.



MEP Chennai Bypass Toll Road Private Limited
(Currency : ₹ in lakhs)
Notes to Financial Statements

Note 3
Property, Plant and Equipment - As at March 31, 2021

	Gross Block (At Cost)		Accumulated Depreciation			Net Block		
	As at April 1, 2020	Additions/ Adjustments	Deductions/ Adjustments	As at March 31, 2021	Charge for the year	Deductions/ Adjustments	As at March 31, 2021	As at March 31, 2020
Tangible Assets:								
Vehicles	4.88	-	-	4.88	0.66	-	3.41	2.13
Computer system	23.60	-	-	23.60	0.01	-	23.59	0.02
Office equipments	1.07	-	-	1.07	0.03	-	1.03	0.04
Furnitures and fixtures	0.33	-	-	0.33	0.02	-	0.26	0.07
Total	29.88	-	-	29.88	0.73	-	28.28	1.60

Note 3
Property, Plant and Equipment - As at March 31, 2020

	Gross Block (At Cost)		Accumulated Depreciation			Net Block		
	As at April 1, 2019	Additions/ Adjustments	Deductions/ Adjustments	As at March 31, 2020	Charge for the year	Deductions/ Adjustments	As at March 31, 2020	As at March 31, 2019
Tangible Assets:								
Vehicles	4.88	-	-	4.88	0.97	-	2.75	3.10
Computer system	23.60	-	-	23.60	0.02	-	23.58	0.04
Office equipments	1.07	-	-	1.07	0.06	-	0.99	0.14
Furnitures and fixtures	0.33	-	-	0.33	0.03	-	0.23	0.13
Total	29.88	-	-	29.88	1.08	-	27.56	3.41



MEP Chennai Bypass Toll Road Private Limited

Notes to Financial Statements

(Currency : ₹ in lakhs)

Note 4

Income tax assets

Particulars	As at March 31, 2021	As at March 31, 2020
Tax Collected at Source	-	-
Tax Deducted at Source	-	9.96
	<u>-</u>	<u>9.96</u>

Note 5

Other non current assets

Particulars	As at March 31, 2021	As at March 31, 2020
Balance with Government authorities	-	12.19
Total	<u>-</u>	<u>12.19</u>

Note 6

Current Financial Assets-Cash and cash equivalents

Particulars	As at March 31, 2021	As at March 31, 2020
Bank balances		
In current accounts	3.26	5.40
Cash on hand	-	-
Cash and cash equivalents as presented in the Balance sheet	<u>3.26</u>	<u>5.40</u>

Bank balances and term deposits with banks comprise cash held by the Company on a short-term basis with original maturity of three months or less. The carrying amount of cash and cash equivalents as at reporting date approximates fair value.



Note 7**Current Financial Assets-Loans****(Unsecured, considered good unless otherwise stated)**

Particulars	As at March 31, 2021	As at March 31, 2020
Deposits		
-To related parties	594.00	594.00
- To others	-	0.38
Total	594.00	594.38
(a) Deposits		
- MEP Infrastructure Developers Ltd.	594.00	594.00

Note 8**Current Financial Assets-Others****(Unsecured, considered good unless otherwise stated)**

Particulars	As at March 31, 2021	As at March 31, 2020
Related parties		
- Other receivables	-	0.04
- Mobilisation advance	292.52	292.52
Other than related parties		
- Other receivables	15.68	15.68
Total	308.21	308.24
(a). Other receivables		
- Raima Toll and Infrastructure Pvt. Ltd.	-	0.04
(c). Mobilisation advance		
- MEP Highway Solutions Pvt. Ltd Ltd.	292.52	292.52

Note 9**Other current assets**

Particulars	As at March 31, 2021	As at March 31, 2020
Prepaid expenses	0.10	37.46
Excess funding for gratuity	-	-
Total	0.10	37.46



MEP Chennai Bypass Toll Road Private Limited
Notes to Financial Statements
(Currency : ₹ in lakhs)

Note 10
Equity Share Capital

Particulars	As at	
	March 31, 2021	March 31, 2020
[a] Authorised share capital		
52,00,000 (March 31, 2020 : 52,00,000) equity shares of the par value of Rs 10 each	520.00	520.00
	520.00	520.00
[b] Issued		
51,60,000 (March 31, 2020 : 51,60,000) equity shares of Rs.10 each fully paid	516.00	516.00
	516.00	516.00
[c] Subscribed and paid up		
51,60,000 (March 31, 2020 : 51,60,000) equity shares of Rs.10 each fully paid	516.00	516.00
	516.00	516.00

[d] Reconciliation of number of shares outstanding at the beginning and end of the year :

	As at March 31, 2021		As at March 31, 2020	
	No. of Shares	Amount	No. of Shares	Amount
Equity :				
Shares outstanding at the beginning of the year	5,160,000	516.00	5,160,000	516.00
Issued during the year	-	-	-	-
Shares outstanding at the end of the year	5,160,000	516.00	5,160,000	516.00

[e] Rights, preferences and restrictions attached to equity shares :

The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shareholders are entitled to receive dividend as declared from time to time. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to its share of the paid-up equity capital of the Company. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable have not been paid. Failure to pay any amount called up on shares may lead to forfeiture of the shares.

On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

[f] Shares held by its holding company

	As at March 31, 2021		As at March 31, 2020	
	No. of Shares	Amount	No. of Shares	Amount
Equity shares of Rs 10 each fully paid held by:				
MEP Infrastructure Developers Limited (Holding Company)	5,160,000	516.00	5,160,000	516.00

[g] Details of shareholders holding more than 5% of the aggregate shares in the Company:

Name of the shareholder	As at March 31, 2021		As at March 31, 2020	
	No. of Shares	Percentage	No. of Shares	Percentage
Equity shares of Rs 10 each fully paid held by:				
MEP Infrastructure Developers Limited (Holding Company)	5,160,000	100%	5,160,000	100%
	5,160,000	100%	5,160,000	100%



MEP Chennai Bypass Toll Road Private Limited

Notes to Financial Statements

(Currency : ₹ in lakhs)

Note 11

Retained earnings

Particulars

	As at March 31, 2021	As at March 31, 2020
Balance as at the beginning of the year	(10,696.44)	(10,423.14)
Add : Profit for the year	(303.97)	(273.30)
Balance as at the end of the year	(11,000.41)	(10,696.44)



MEP Chennai Bypass Toll Road Private Limited
Notes to Financial Statements
(Currency : ₹ in lakhs)

Note 12
Current Financial Liability-Trade payables

Particulars	As at March 31, 2021	As at March 31, 2020
Trade payables		
Total outstanding dues of micro enterprises and small enterprises	-	-
Others	11,040.17	11,039.68
Total	11,040.17	11,039.68

The carrying amount of trade payables as at reporting date approximates fair value.

Note 12.1. Disclosure for Micro, Small and Medium Enterprises

On the basis of the information and records available with the management there are no dues payable to Micro, Small and Medium Enterprises as on 31st March, 2021 and 31st March, 2020. Further, disclosures under the Micro, Small and Medium Enterprises Development Act, 2006 are not applicable for both the above years.

Note 13
Current Financial Liability-Others

Particulars	As at March 31, 2021	As at March 31, 2020
Employee benefit payable	-	-
Payable to related parties	287.89	110.39
Other liabilities	63.21	0.30
Total	351.09	110.69

Note 14
Other current liabilities

Particulars	As at March 31, 2021	As at March 31, 2020
Due to Statutory authorities	0.30	0.03
Total	0.30	0.03



MEP Chennai Bypass Toll Road Private Limited
Notes to Financial Statements
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Note 15
Other Income

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Interest income	-	-
- Other Interest income	-	3.78
Miscellaneous income	-	0.38
- Liability no longer required	-	9.61
Total	-	13.77

Note 16
Employee benefits expense

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Salaries and wages	-	-
Contribution to provident and other funds (refer note 33)	0.01	0.01
Gratuity	-	0.76
Total	0.01	0.77



MEP Chennai Bypass Toll Road Private Limited
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(Currency : ₹ in lakhs)

Note 17

Finance costs

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Other borrowing cost		
- Bank guarantee and commission	216.24	215.06
Total	216.24	215.06

Note 18

Other expenses

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Administration and Other Expenses		
Rent, rates and taxes	2.16	1.10
Auditors remuneration (refer note 28)	0.24	0.24
Professional fees	54.50	68.36
Insurance	0.24	0.29
Bank charges	0.13	0.14
Miscellaneous operating expenses	19.76	0.04
Total	77.03	70.16



MEP Chennai Bypass Toll Road Private Limited
Notes to Financial Statements
(Currency : ₹ in lakhs)

Note 23

1. Financial instruments – Fair values and risk management

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

A. Accounting classification and fair values

	FVTPL	Carrying amount		Level 1	Fair value		
		FVTOCI	Amortised Cost		Total	Level 2	Level 3
March 31, 2021							
Financial assets							
Cash and cash equivalents			3.26	-	-	-	-
Loans and advances			594.00	-	-	-	-
Other Current financial asset			308.21	-	-	-	-
			905.47	-	-	-	-
Financial liabilities							
Short term borrowings			-	-	-	-	-
Trade and other payables			11,040.17	-	-	-	-
Other Current financial liabilities			351.09	-	-	-	-
			11,391.27	-	-	-	-
March 31, 2020							
Financial assets							
Cash and cash equivalents			5.40	-	-	-	-
Loans and advances			594.38	-	-	-	-
Other Current financial asset			308.24	-	-	-	-
			908.02	-	-	-	-
Financial liabilities							
Short term borrowings			-	-	-	-	-
Trade and other payables			11,039.68	-	-	-	-
Other Current financial liabilities			110.69	-	-	-	-
			11,150.36	-	-	-	-



MEP Chennai Bypass Toll Road Private Limited
Notes to Financial Statements
(Currency : ₹ in lakhs)

Note 24

Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- Credit risk ;
- Liquidity risk ; and
- Market risk

i. Risk management framework

The Company's board of directors is primarily responsible to develop and monitor Company's Risk Management framework. The Company has a risk management policy in place.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

ii. 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. Credit risk on its receivables is recognised on the statement of financial position at the carrying amount of those receivable assets, net of any provisions for doubtful debts. Receivable balances and deposit balances are monitored on a monthly basis with the result that the company's exposure to bad debts is not considered to be material.

The Company has no significant concentrations of credit risk. It has policies in place to ensure that sale transactions are made to customers with an appropriate credit history.

The Company does not have any credit risk outside India.

Cash equivalents & Other bank balances

The Company held cash equivalents and other bank balances of INR 3.26 lakhs at March 31, 2021 (March 31, 2020 : INR 5.40 lakhs). The cash equivalents and other bank balances/deposits are held with bank counterparties with good credit ratings.



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iii. Liquidity risk

Liquidity risk is defined as the risk that the group will not be able to settle or meet its obligations on time, or at a reasonable price. The group's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related such risk are overseen by senior management. Management monitors the group's net liquidity position through rolling forecasts on the basis of expected cash flows.

March 31, 2021	Carrying amount	Contractual cash flows				
		Total	0-1 year	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities						
Borrowings and Interest thereon	-	-	-	-	-	-
Trade payables	11,040.17	11,040.17	11,040.17	-	-	-
Other Payables	351.09	351.09	351.09	-	-	-
	11,391.27	11,391.27	11,391.27	-	-	-

March 31, 2020	Carrying amount	Contractual cash flows				
		Total	0-1 year	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities						
Borrowings and Interest thereon	-	-	-	-	-	-
Trade payables	11,039.68	11,039.68	11,039.68	-	-	-
Other Payables	110.69	110.69	110.69	-	-	-
	11,150.36	11,150.36	11,150.36	-	-	-



MEP Chennai Bypass Toll Road Private Limited
Notes to Financial Statements
(Currency : ₹ in lakhs)

Financial instruments – Fair values and risk management (continued)

iv. Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

v. Currency risk:

The risk that the value of a financial instrument will fluctuate because of changes in foreign exchange rates. Since company does not have any foreign exchange transactions, it is not exposed to this risk.

v. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.



MEP Chennai Bypass Toll Road Private Limited
Notes to Financial Statements
(Currency : ₹ in lakhs)

vi. Capital Management

For the purpose of the Company's capital management, capital includes issued capital and other equity reserves. The primary objective of the Company's Capital Management is to maximise shareholders value. The Company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants.

The Company monitors capital using Adjusted net debt to equity ratio. For this purpose, adjusted net debt is defined as total debt less cash and bank balances

	As at 31, 2021	March 31, 2020
Non-Current Borrowings	-	-
Current Borrowings	-	-
Gross Debt	-	-
Less - Cash and Cash Equivalents	(3.26)	(5.40)
Less - Other Bank Deposits	-	-
Less - Current Investments	-	-
Adjusted net debt	<u>(3.26)</u>	<u>(5.40)</u>
Total equity	(10,484)	(10,180)
Adjusted net debt to adjusted equity ratio	<u>-</u>	<u>-</u>

* Adjusted net debt to equity ratio is not calculated as the adjusted net debt value is (-)ve.



MEP Chennai Bypass Toll Road Private Limited
Notes to Financial Statements

Note 25
Earnings Per Share

Basic and diluted earnings per share is calculated by dividing the profit/(loss) attributable to equity holders of the Company by the weighted average of equity shares outstanding during the year.

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Profit/(Loss) for basic and diluted earnings per share (A)	(303.97)	(273.30)
Weighted average number of equity shares (B)	5,160,000	5,160,000
Basic earnings per share (Rs.) (A / B)	(5.89)	(5.30)
Weighted average number of equity shares outstanding during the year for the calculation of diluted earnings per share (C)	5,160,000	5,160,000
Diluted earnings per share (Rs.) (A / C)	(5.89)	(5.30)

Reconciliation of weighted average number of equity shares:

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Equity shares outstanding at the beginning of the year	5,160,000	5,160,000
Equity shares issued during the year	-	-
Equity shares outstanding at the end of the year	5,160,000	5,160,000
Total weighted average number of shares	5,160,000	5,160,000

Note 26

Segment information

The Company has one reportable business segment which is toll collection and only one reportable geographical segment. All assets of the group are domiciled in India and the Company earn entire revenue from its operation in India. There is no single customer which contribute more than 10% of the revenue of the Company.

Note 27

Contingent Liabilities

Particulars	As at March 31, 2021	As at March 31, 2020
Claims made against the Company not acknowledged as debts	3,471.08	3,471.08
Service tax	2,922.95	1,760.97
Total	6,394.03	5,232.05

The Superintendent, DGGSTI, Mumbai had called for various information & documents intending to levy Service tax on the differential amount between Toll Collected & Concession fees payable to Authority. The Company had furnished the requisite information and documents explaining that the Toll Collection income of the Company cannot be classified as Business Auxiliary Service & hence, the same is not liable to Service tax; also post 01.07.2012 the Toll Collection income gets covered in the Negative list of Services u/s 66D of the Finance Act, 1994 which are not liable to Service tax. Further, the Company had furnished the copy of the favorable CESTAT Order received in case of its holding company viz. MEPIDL wherein it is decided that MEPIDL collects Toll on its own account pursuant to exploitation of Toll Collection rights, & not on behalf of the Authority & hence, it is not liable to pay Service tax under the Category Business Auxiliary Services on its Toll Collection income. The Company vide its letter dated 16.10.2017 stated that the judgement would apply to the company as well since the nature of contract entered into by the Company is similar to that of MEPIDL. The Company vide its letter dated 09.10.2019 stated that as supported by Board Circular no. 212/2/2019 dated 21.05.2019, the service provided by the company of toll collection is nothing but service provided by Toll Operators by way of access to a road or bridge on payment of toll charges which is covered in the Negative List & hence, service tax is not applicable on the same. The Company had received on October 17, 2019 Show cause cum Demand notice dated October 17, 2019 of Rs. 176 million. The Company had requested for Extension of time upto fourth week of March, 2020 for filling reply to SCN. The company has submitted its response to SCN & hearing in the matter is awaited



MEP Chennai Bypass Toll Road Private Limited
(Currency : ₹ in lakhs)

Note 28

Auditor's remuneration

Particulars	31st March 2021	31st March 2020
Audit fees	0.24	0.24
Total	0.24	0.24

Note 29

Claims

The Company has preferred claims with the Authority, aggregating Rs. 33,973.75 lakhs plus interest on account of Toll Evasion and Force Majeure issues arising from non-compliance of the Concession Agreement by Authority. The Company has not recognised the claims in the financial statements pending final approval from Authority. Under the orders of the Hon'ble High Court of Delhi, both the Company and Authority were directed to amicably settle the disputes. As a part of the amicable settlement, Independent Engineer has evaluated the claims made by the Company from time to time. However, final settlement on the same is yet to conclude. The estimated loss during the corresponding period as assessed by the Independent Engineer appointed by the Authority is much higher than the claims submitted to Authority. Hence, the Company has not recognised amount payable to Authority aggregating Rs.280 lakhs during the year ended 31 March 2017(Previous year: 12,843.19 lakhs; Year ended 31st March 2015: 3846.50 lakhs). As part of the settlement, the Company, has handed over the Project Facilities and the Toll Plaza's to the NHAI from April 09, 2016. The Settlement of claims will be dealt as per the provisions of the Concession Agreement, and the matter is currently under arbitration.

Note 30

Domestic transfer pricing

The Indian Finance Bill, 2012 had sought to bring in certain class of domestic transactions in the ambit of the transfer pricing regulations with effect from 1 April 2012. The Company's management is of the opinion that its domestic transaction are at arm's length so that appropriate legislation will not have an impact on financial statements, particularly on the amount of tax expense and that of provision for taxation. The Company does not have any international transactions with related parties during the year.

Note 31

Going Concern :

The Company Liabilities is exceeding its assets. The Company has handed over the project facilities and the toll plaza's to the NHAI from April 09, 2016 as per the amicable settlement. The settlement of claims will be dealt as per the provisions of the Concession Agreement, and the matter is currently under arbitration. The Company financial statement have been prepared on a going concern basis as the holding company has under take to provide such financial support as necessary to enable the company to continue its operation and to meet its liabilities as and when they fall due in foreseeable future. Accordingly these financial statement do not include any adjustments relating to the recoverability and classification of carrying amount of the assets or the amounts and classification of liabilities has may be necessary if that entity is unable to continue as a going concern



MEP Chennai Bypass Toll Road Private Limited
(Currency : ₹ in lakhs)
Notes to Financial Statements

Note 32

Statement of Related Party Transactions

In accordance with the requirements of IND AS 24 "Related Party disclosures" as prescribed under the Companies (Indian Accounting Standards) Rules, 2015, following are the names of related parties and their relationships(Only with whom there have been transactions during the period and there was balance outstanding at the year end).

Name of related parties and the nature of relationship

Name of related party	Nature of relationship
MEP Infrastructure Developers Limited	Holding Company
MEP Infrastructure Private Limited	Fellow Subsidiary
MEP Hyderabad Bangalore Toll Road Private Limited	Fellow Subsidiary
MEP IRDP Solapur Toll Road Private Limited	Fellow Subsidiary
MEP Nagzari Toll Road Private Limited	Fellow Subsidiary
Raima Ventures Private Limited	Fellow Subsidiary
Raima Toll Road Private Limited	Fellow Subsidiary
Rideema Toll Bridge Private Limited	Fellow Subsidiary
Rideema Toll Private Limited	Fellow Subsidiary
MEP Highway Solutions Private Limited	Fellow Subsidiary
Raima Toll & Infrastructure Private Limited	Fellow Subsidiary
MEP Tormato Private Limited	Fellow Subsidiary
Mhaiskar Toll Road Private Limited	Fellow Subsidiary
MEP Road & Bridges Private Limited	Fellow Subsidiary
MEP Infra Constructions Private Limited	Fellow Subsidiary
MEP Infraprojects Private Limited	Fellow Subsidiary
MEP Toll & Infrastructure Private Limited	Fellow Subsidiary
MEP RGSL Toll Bridge Private Limited	Fellow Subsidiary
Baramati Tollways Private Limited (Subsidiary of Rideema Toll Private Limited)	Fellow Subsidiary
MEP Nagpur Ring Road 1 Pvt. Ltd	Jointly Controlled Entity
MEP Sanjose Nagpur Ring Road 2 Pvt. Ltd	Jointly Controlled Entity
MEP Sanjose Arawali Kante Road Pvt. Ltd	Jointly Controlled Entity
MEP Sanjose Kante Waked Road Pvt. Ltd	Jointly Controlled Entity
MEP Sanjose Talaja Mahuva Road Pvt. Ltd	Jointly Controlled Entity
MEP Sanjose Mahuva Kagavadar Road Pvt. Ltd	Jointly Controlled Entity
KVM Technology Solutions Pvt. Ltd	Jointly Controlled Entity
MEP Longjian ACR Pvt. Ltd	Jointly Controlled Entity
MEP Longjian CLR Pvt. Ltd	Jointly Controlled Entity
MEP Longjian Loha Waranga Pvt. Ltd	Jointly Controlled Entity
MEP Longjian VTR Pvt. Ltd	Jointly Controlled Entity
Ideal Hospitality Private Limited	Enterprises over which significant influence is exercised by key managerial personnel
Mr. Amit Mokashi (Additional Director)	Key Management Person (w.e.f 10/04/2017)
Mr. Raja Mukherjee (Additional Director)	Key Management Person (w.e.f 10/04/2017)



MEP Chennai Bypass Toll Road Private Limited
(Currency : ₹ in lakhs)
Notes to Financial Statements

Note 32
Statement of Related Party Transactions

Disclosures of material transactions with related parties and balances

Name of related party and relationship	Nature of transactions	For the year ended March 31, 2021	For the year ended March 31, 2020
I) Transactions during the period			
Holding Company			
MEP Infrastructure Developers Limited	Expenses incurred on our behalf	177.53	308.10
	Expenses incurred on behalf of	0.03	403.14
Fellow Subsidiary			
MEP Highway Solutions Private Limited	Repayment Mobilization advance given	-	341.56
	Adjustment of Mobilization advance	-	0.65
II) Balances at the end of the year		As at	As at
		March 31, 2021	March 31, 2020
Holding Company			
MEP Infrastructure Developers Limited	Other liabilities	276.91	99.42
	Deposit given	594.00	594.00
Fellow Subsidiary			
MEP Highway Solutions Private Limited	Mobilization advance	292.52	292.52
	Creditors	-	-
Raima Toll and Infrastructure Pvt. Ltd	Receivable	-	0.04
Baramati Tollways Pvt. Ltd	Other liabilities	0.30	0.30
MEP Hyderabad Bangalore Toll Road Pvt. Ltd	Other liabilities	0.45	0.45
MEP Infrastructure Pvt. Ltd	Other liabilities	5.96	5.96
MEP RGSL Toll Bridge Pvt. Ltd	Other liabilities	0.34	0.34
Rideema Toll Bridge Pvt.Ltd.	Other liabilities	3.90	3.90

Note : Outstanding balances at the year ended are unsecured and considered good.



MEP Chennai Bypass Toll Road Private Limited
(Currency : ₹ in lakhs)
Notes to Financial Statements

Note 33
Employee Benefits

Defined Contribution Plan

The Company makes provident fund, Employees State Insurance and Maharashtra Labour Welfare Fund contributions for eligible employees. Under the schemes, the Company is required to contribute a specified percentage / fixed amount of the payroll costs to fund the benefits. The contributions as specified under the law are paid to the respective fund set up by the government authority.

	For the year ended March 31, 2021	For the year ended March 31, 2020
Group's contribution to Provident Fund	0.01	0.01
Group's contribution to Employee state Insurance Corporation	-	-
Group's Contribution to Maharashtra Labour Welfare Fund	-	-
	0.01	0.01

Note 34.
Previous year comparatives
Previous year figures are regrouped, re-arranged wherever necessary.

The notes referred to above form an integral part of the financial statements.
As per our report of even date attached.

For G. D. Apte & Co.
Chartered Accountants
Firm's Registration No: 100515W

CA. Chetan. R. Sapre
Partner
Membership No: 116952
Place: Mumbai
Date: 25 June 2021



For and on behalf of the Board of Directors
MEP Chennai Bypass Toll Road Private Limited
CIN : U45400MH2013PTC239203

Subramany Padmanabhan
Director
DIN: 07185743
Mumbai
Date: 25 June 2021

Priya Josthi
Director
DIN: 07185523
Mumbai