

INDEPENDENT AUDITORS' REPORT ON STANDALONE FINANCIAL STATEMENTS

To
The Members of
MEP INFRASTRUCTURE PRIVATE LIMITED

Report on the Standalone Financial Statements
Opinion

We have audited the accompanying standalone financial statements of **MEP INFRASTRUCTURE PRIVATE LIMITED** ("the Company"), which comprise the Balance sheet as at March 31, 2022, 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, 2022, the profit and total 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 5.a to the accompanying financial statements, wherein the company has recognised total claims filed with various authorities amounting to Rs. 60,204.60 lakhs on account of nationwide lockdown due to COVID Pandemic upto March 31, 2022.
2. Total claims receivables as on March 31, 2022 amounting to Rs. 65,091.39 lakhs (including COVID claims) represent the various claims filed by the company with various authorities based on the contractual provisions of the agreements. The company is confident about recovery of these claims recognised.

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

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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.

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.

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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

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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, 2020 ("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 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- 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.
 - iv.
 - a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share

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- premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- c) Based on such audit procedures that were considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
- v. No dividend has been declared or paid during the year by the Company.
- III. 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 R. Sapre

Partner

Membership No: 116952

UDIN : 22116952AKCWQH3035

Place : Mumbai

Date : May 28, 2022

ANNEXURE - A TO THE INDEPENDENT AUDITORS' REPORT ON STANDALONE IND AS FINANCIAL STATEMENTS OF MEP INFRASTRUCTURE 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)
- 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 maintained proper records showing full particulars of intangible assets 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, the title deeds of immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee), are held in the name of the Company.
- d) The company has neither revalued its PPE (including Right of Use assets) nor intangible assets or both during the year.
- e) As per the information and explanation provided to us, no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

ii.

- a) The company is engaged in toll collection business, it does not hold any physical inventory as on the balance sheet, accordingly reporting under clause 3 (ii) of the order is not applicable to the Company.
- b) According to the information and explanations given to us, the company has availed working capital limits from banks on the basis of security of current assets. The quarterly statements filed by the company are in agreement with the books of accounts.

iii.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, during the current year, the Company has not made any investments, provided any guarantee or security or any advances in nature of loans to companies, firms, limited liability partnership or any other parties.

The Company has granted loans in respect of which the requisite information is stated in sub-clause (a) below.

a)



- A) As per the information and explanation given to us, the Company has not granted any loans or advances and guarantees or security to subsidiaries, joint ventures and associates.
- B) During the year company has provided loans to its employees amounting to Rs. 8.72 Lakhs and aggregate amount of loans provided to employees outstanding as on March 31, 2022 is Rs.14.85 Lakhs.
- b) According to the explanation and information given to us, the terms and conditions of the loans granted are, prima facie not prejudicial to the company's interest.
- c) In respect of loans to one company, where the schedule of repayment of principal and payment of interest is stipulated the repayments or receipts are not regular.
- d) According to the information and explanation given to us, with respect of the loan granted to the companies which are overdue and outstanding for more than ninety days, the principal amount outstanding for more than ninety days is Rs. 10,500 Lakhs, and the interest amount overdue for more than ninety days is Rs. 21,187.80 Lakhs. The total amount outstanding as on March 31, 2022 is Rs. 54,187.82 Lakhs. The company is in the process of restructuring the said loan.
- e) According to the information and explanations given to us, loan or advance in the nature of loan which has fallen due during the year has neither been renewed or extended nor fresh loans granted to settle the overdue of existing loans. Therefore, provisions of clause 3(iii)(e) of the order are not applicable to the company.
- f) According to the information and explanations given to us, company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment. Therefore, provisions of clause 3(iii)(f) of the order are not applicable to the company.
- iv. In our opinion and according to the information and explanations given to us and based on the audit procedures conducted by us, the Company has complied with the provisions of Section 185 and 186 of the Act, with respect to unsecured loans granted, guarantees provided and investments made by the Company. The Company has not given any security under Section 185 and 186 of the Act
- 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. We have broadly reviewed the books of account maintained by the company pursuant to the rules prescribed by the Central Government for the maintenance of cost records under section 148(1) of the Act, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the records.
- vii.
- a) According to the information and explanations given to us and, on the basis of our examination of the records of the company, that the Company is generally regular

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payment of undisputed statutory dues including Income Tax, Sales Tax, Service Tax, Goods and Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and other statutory dues with the appropriate authorities. However, there are delays for Employer and Employee Contribution – Employee State Insurance Corporation of Rs. 1.98 Lakhs on account of non-updation of Aadhar Numbers of respective employees on the relevant website. Also, the company did not have any dues on account of wealth tax, duty of customs, duty of excise. Further, there are no undisputed amounts payable in respect of income tax and sales tax or custom duty or excise duty or value-added cess or other statutory dues were outstanding, at the year end, for a period more than six months from the date they become payable.

- b) 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. There are no transactions not recorded in the books of account have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961), if so, whether the previously unrecorded income has been properly recorded in the books of account during the year
- ix.
- a) In our opinion and according to the information and explanation given to us, the company has defaulted in repayments of dues from lender during the year. Details of loans overdue as on March 31, 2022 are given in the table below. The company does not have any loans or borrowings from the Government, and has not issued any debentures.

(Amount in lakhs)

Particulars	Amount of default as at balance sheet date		Period of Default as on March 31, 2022
	Principal	Interest	
From Banks			
Canara Bank	5,334.76	1,198.22	More than 90 days
IDFC Bank Limited – I	6,832.28	4,721.75	More than 90 days
IDFC Bank Limited – II	2,854.50	1,725.26	More than 90 days
IDFC Bank Limited - II FITL	186.47	60.76	More than 90 days
Total	15,208.01	7,706.00	
From Financial Institution			
Phoenix ARC(Transferred and Assigned from L&T Finance)	1,249.67	1,588.22	More than 90 days
Phoenix ARC(Transferred and Assigned from L&T Finance)	87.07	74.59	More than 90 days
HDFC	1,366.07	873.82	More than 90 days
IIFCL Limited	4,461.43	1,652.78	More than 90 days
IIFCL Limited FITL	346.28	140.49	More than 90 days
IIFCL - Additional takeout	1,575.00	2,482.25	More than 90 days
IIFCL - Additional takeout FITL	106.20	163.48	More than 90 days
Total	9,191.71	6,975.64	More than 90 days
Grand Total	24,399.72	14,681.64	

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- b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a willful defaulter by any bank or financial institution or government or government authority.
- c) In our opinion and according to the information and explanations given to us by the management, the company has not borrowed any term loans.
- d) According to the information and explanations given to us, the funds raised on short term basis have not been utilised for long term purposes.
- e) According to the information and explanations given to us, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- f) According to the information and explanation given to us, the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies
- x.
- a) According to the information and explanations given to us and on the basis of examination of records of the Company, the company has not raised any money by way of initial public offer or further public offer during the year. Hence the reporting requirement under clause 3(x)(a) is not applicable to the company.
- b) According to the information and explanations given to us and on the basis of examination of records of the Company, the company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Hence the reporting requirement under clause 3(x)(b) is not applicable to the company.
- xi.
- a) 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.
- b) According to the information and explanations given to us, during the year, no report U/s 143(12) of the Companies Act, 2013 has been filed by secretarial auditor, predecessor auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- c) According to the information and explanation given to us, no whistle-blower complaints have been received during the year by the company.
- xii. In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of Clause 3(xii)(a) to 3(xii)(c) of the order are not applicable to the Company and hence not commented upon.
- 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.

- a) According to the information and explanation given to us, the company has an internal audit system commensurate with the size and nature of its business.
- b) The reports of the Internal Auditors of the company issued till date for the period under audit were considered by us.

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 covered under the provisions of sec 192 of the Act and accordingly the provisions of clause (xv) of the Order are not applicable to the Company.

xvi.

- a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act 1934. Accordingly, clause 3(xvi)(a) and (xvi)(b) of the Order is not applicable.
- c) According to the information and explanation given to us, the company is not a Core Investment Company (CIC) as defined in the regulations made by the RBI. Hence the clause 3(xvi)(c) of the Report is not applicable.
- d) The company is not part of any Group. Accordingly, the requirements of clause 3(xvi)(d) are not applicable

xvii. According to the information and explanation given to us, the company has not incurred cash losses in the financial year and in the immediately preceding financial year.

xviii. According to the information and explanation given to us, there is no resignation of the statutory auditors during the year.

xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, the total liabilities exceeds the total assets maturing within one year from the balance sheet date. These facts cause us to believe that there exists material uncertainty as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.

xx.

- a) According to the information and explanation given to us, there are no unspent amount in respect of other than ongoing projects which are required to be transferred to a Fund specified in Schedule VII to the Companies Act, within a period of 6 months of the expiry of the financial year in compliance with second proviso to Sec 135 (5) of the said Act.

- b) According to the information and explanation given to us, there are no unspent amount in respect of ongoing project which are required to be transferred to special account in compliance with the provision under section 135(6) of the said Act.
- xxi. The Company is not required to prepare consolidated financial statements and hence the provisions of Clause of 3(xxi) is not applicable.

For G. D. Apte & Co.

Chartered Accountants

Firm Registration Number: 100515W




Chetan R. Sapre

Partner

Membership No: 116952

UDIN : 22116952AKCWQH3035

Place : Mumbai

Date : May 28, 2022

ANNEXURE "B" TO THE INDEPENDENT AUDITORS' REPORT ON STANDALONE FINANCIAL STATEMENTS OF MEP INFRASTRUCTURE PRIVATE LIMITED

(Referred to in paragraph 1 (f) under 'Report on Other Legal and Regulatory Requirements' of our report of even date)

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

We have audited the internal financial controls over financial reporting of **MEP INFRASTRUCTURE PRIVATE LIMITED** ("the Company") as of March 31, 2022 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") 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 over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing issued by the 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. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone Financial Statements for external purposes in accordance with generally accepted

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accounting principles. A company's internal financial control over financial reporting 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 Standalone Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Standalone Financial Statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as of March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For G. D. Apte & Co.

Chartered Accountants

Firm Registration Number: 100515W



Chetan R. Sapre

Partner

Membership No: 116952

UDIN : 22116952AKCWQH3035

Place : Mumbai.

Date : May 28, 2022

MEP Infrastructure Private Limited

Balance Sheet as at 31 March 2022

(Currency: Indian rupees in lakhs)

	Notes	As at March 31, 2022	As at March 31, 2021
ASSETS			
Non current assets			
Property, Plant and Equipment		290.47	415.30
Other intangible assets	3	97,864.81	1,14,048.39
Financial Assets			
i. Loans	4	27,433.39	27,433.39
ii. Others financial assets	5	66,251.22	41,337.94
Other non current assets	7	8,175.03	7,402.46
Total non current assets		2,00,014.92	1,90,637.48
Current assets			
Financial Assets			
i. Investment	8	-	175.09
ii. Cash and cash equivalents	9 (i)	658.44	208.26
iii. Bank balances other than (i) above	9 (ii)	200.14	164.42
iv. Loans	10	10,514.85	10,542.09
v. Other financial assets	11	21,426.71	21,676.82
Other current assets	12	1,001.98	2,339.95
Total current assets		33,802.12	35,106.63
Total Assets		2,33,817.04	2,25,744.11
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	13	37,428.00	37,428.00
Other Equity	14	1,527.33	(9,902.93)
Total Equity		38,955.33	27,525.07
Liabilities			
Non current liabilities			
Financial liabilities			
i. Borrowings	15	93,212.89	1,45,500.39
Other non current liabilities	16	194.85	246.24
Provisions	17	216.86	217.31
Deferred tax liabilities (net)	6A	5,724.72	1,180.91
Total non current liabilities		99,349.32	1,47,144.85
Current liabilities			
Financial liabilities			
i. Borrowings	18	77,128.01	41,666.49
ii. Trade payables	19		
Total outstanding due to micro and small enterprises		108.88	56.65
Total outstanding due to creditor other than micro and small enterprises		438.60	885.59
ii. Other financial liabilities	20	16,887.49	7,382.67
Other current liabilities	21	831.73	972.97
Provisions	17	117.68	109.82
Total current liabilities		95,512.39	51,074.19
Total liabilities		1,94,861.71	1,98,219.04
Total Equity and Liabilities		2,33,817.04	2,25,744.11

Significant Accounting Policies 1-2

The accompanying Notes are an integral part of financial statements 3-38

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 : 28 May 2022



Sudha Mhaiskar
Director
DIN : 00707501
Place : Mumbai
Date : 28 May 2022



For and on behalf of the Board of Directors of
MEP Infrastructure Private Limited
CIN : U45203MH2010PTC199329

Anuya Mhaiskar
Director
DIN : 00707650

MEP Infrastructure Private Limited

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

(Currency: Indian rupees in lakhs)

	Note	For the year ended March 31, 2022	For the year ended March 31, 2021
I Revenue from operations	22	62,441.00	54,489.05
II Other income	23	379.81	2,338.30
III Total Income (I + II)		62,820.81	56,827.35
IV Expenses			
Operating and maintenance expenses	24	4,338.51	4,691.54
Employee Benefits Expenses	25	1,984.11	2,002.68
Finance costs	26	23,006.06	24,329.87
Depreciation and amortisation expense	3	16,383.05	14,337.63
Other expenses	27	1,163.74	669.22
Total Expenses (IV)		46,875.47	46,030.94
V Profit before tax and exceptional items (III-IV)		15,945.34	10,796.41
VI Exceptional items		-	-
VII Profit before tax (III-IV)		15,945.34	10,796.41
VI Tax expense			
Current tax		-	-
Tax for earlier years		79.74	-
Deferred tax charge / (credit)		4,453.25	2,520.44
Total tax expense		4,532.99	2,520.44
VII Profit for the year (V-VI)		11,412.35	8,275.97
VIII Other Comprehensive Income / (loss)			
(i) Items that will not be reclassified to Statement of Profit and Loss			
- Remeasurement of defined benefit obligations		28.74	12.01
- Tax on Reameasurements of defined benefit plans		(10.83)	(0.15)
Other Comprehensive Income / (loss) for the year (Net of tax)		17.91	11.86
IX Total Comprehensive Income for the year (VII+VIII)		11,430.26	8,287.83
Basic and diluted earnings per share (Rs.)		3.05	2.21

Significant Accounting Policies

1-2

The accompanying Notes are an integral part of financial statements

3-38

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 : 28 May 2022



For and on behalf of the Board of Directors of
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Anuya Mhaiskar
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Director
DIN : 00707650



MEP Infrastructure Private Limited
Cashflow statement for the year ended 31 March 2022

(Currency: Indian rupees in lakhs)

	For the year ended March 31, 2022	For the year ended March 31, 2021
CASH FLOW FROM OPERATING ACTIVITIES:		
Profit before tax and exceptional items	15,945.34	10,796.41
Adjustments for:		
Depreciation and amortisation	16,383.05	14,337.63
Finance costs	23,006.06	24,329.87
Interest income	(86.26)	(2,278.01)
Liabilities/provisions no longer required written back / assets written off	(292.53)	-
Operating profit before working capital changes	54,955.66	47,185.90
Adjustments for changes in working capital:		
(Increase)/Decrease in non-current financial assets - loans	-	-
(Increase)/Decrease in non-current financial assets - others	(24,873.09)	(29,915.49)
(Increase)/Decrease in current financial assets - loans	27.24	(38.59)
(Increase)/Decrease in current financial assets - others	97.91	(268.83)
(Increase)/Decrease in other non current assets	(749.13)	7,492.32
(Increase)/Decrease in other current assets	1,341.51	428.13
Increase/(Decrease) in other non current liabilities	(51.39)	122.23
Increase/(Decrease) in trade payables	(394.76)	(853.81)
Increase/(Decrease) in current financial liabilities - other	69.02	838.27
Increase/(Decrease) in provisions	36.15	75.03
Increase/(Decrease) in other current liabilities	206.21	(35.51)
Cash generated from operations	30,665.33	25,029.65
Income tax paid / (refund) (net)	(23.44)	(1.85)
Net cash generated from operating activities	30,641.89	25,027.80
CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Property Plant and Equipment including capital advances	(78.18)	(183.07)
Investment in fixed deposits	(175.51)	(164.42)
Redemption / maturity of fixed deposits	164.42	966.93
Investment in mutual funds	-	(175.09)
Redemption / maturity of mutual funds	175.09	-
Interest received	170.64	704.62
Net cash generated from investing activities	256.46	1,148.97
CASH FLOW FROM FINANCING ACTIVITIES:		
Repayment of borrowings	(17,037.21)	(14,130.18)
Proceeds from borrowings (FITL)	-	12,037.48
Interest paid	(13,410.96)	(24,613.44)
Net cash (used in) financing activities	(30,448.17)	(26,706.14)
Net Increase/(Decrease) in cash and cash equivalents	450.18	(529.37)
Cash and cash equivalents as at the beginning of the year	208.26	737.63
Cash and cash equivalents as at the end of the year	658.44	208.26
Cash and cash equivalents includes:		
Cash on hand	451.28	138.91
Bank balances		
In current accounts	207.16	69.35
	658.44	208.26

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 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 : 28 May 2022



For and on behalf of the Board of Directors of
MEP Infrastructure Private Limited
CIN : U45203MH2010PTC199329

Sudha Mhaiskar
Director
DIN : 00707501
Place : Mumbai
Date : 28 May 2022



Anuya Mhaiskar
Director
DIN : 00707650

MEP Infrastructure Private Limited

(Currency: Indian rupees in lakhs)
Statement of Changes in Equity

A. Share Capital

Balance as at April 01, 2021	37,428.00
Changes in equity share capital during the year	-
Balance as at March 31, 2022	<u>37,428.00</u>

B. Other Equity

Particulars	Reserves and Surplus	
	Retained earnings/ (accumulated deficit)	Total Other Equity
Balance at April 01, 2020	(18,151.94)	(18,151.94)
Profit for the year	8,275.97	8,275.97
Other comprehensive income	(26.96)	(26.96)
Balance as at March 31, 2021	<u>(9,902.93)</u>	<u>(9,902.93)</u>
Balance at April 01, 2020	(9,875.97)	(9,875.97)
Profit for the year	11,412.35	11,412.35
Other comprehensive income	(9.05)	(9.05)
Balance as at March 31, 2022	<u>1,527.33</u>	<u>1,527.33</u>

*The above statement of changes in equity should be read in conjunction with the accompanying notes. (Refer Note 14)

The notes referred to above form an integral part of the financial statements.

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

CA Chetan R. Sapre
Partner
Membership No: 116952
Place : Mumbai
Date : 28 May 2022



For and on behalf of the Board of Directors of
MEP Infrastructure Private Limited
CIN : U45203MH2010PTC199329

Sudha Mhaiskar
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DIN : 00707501
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Date : 28 May 2022

Anuya Mhaiskar
Director
DIN : 00707650



MEP Infrastructure Private Limited

Notes to financial statements for the year ended 31 March 2022

Note 1

1 Company overview

MEP Infrastructure Private Limited ('MIPL' or 'the Company') having its registered office at B1-406, boomerang, Chandivali Farm Road, Near Chandivali Studio, Andheri (E), Mumbai-400072, was incorporated on January 25, 2010 vide certificate of incorporation No CIN : U45203MH2010PTC199329 issued by the Registrar of Companies, Maharashtra, Mumbai. The Company is in the business of collection of toll along with road repairs and maintenance of structures, flyovers, etc. The Company has been awarded toll collection rights by Maharashtra State Road Development Corporation Limited ('MSRDC'), for a period of 16 years, commencing from 20 November 2010 as per the Concession Agreement, as revised by the High Court order dated 28 October 2010 ('the Concession Agreement'). During this concession period of 16 years the Company has the right to collect toll at various toll plazas, viz 1) Airoli 2) Dahisar 3) LBS Road 4) Mulund 5) Vashi and in turn, has an obligation to maintain specified flyovers and allied structures mentioned in the Concession Agreement.

The Company is a subsidiary of MEP Infrastructure Developers Limited ('the Holding Company'), a Company incorporated and listed 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, 2022 along with comparative financial information for the year March 31, 2021 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 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

Historical Cost Convention

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 – noncurrent 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 balance sheet and 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 capitalized. 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.



MEP Infrastructure Private Limited

Notes to financial statements for the year ended 31 March 2022

2 Significant accounting policies (Continued)

2.3 Critical accounting judgements and key sources of estimation uncertainty (Continued)

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, Equipment 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) Transition to IndAS

On transition to Ind AS, Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at April 1, 2015 measured as per the Previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment."

c) 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 ₹ 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"

d) 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



MEP Infrastructure Private Limited

Notes to financial statements for the year ended 31 March 2022

2 Significant accounting policies (Continued)

e) 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:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- 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.



MEP Infrastructure Private Limited

Notes to financial statements for the year ended 31 March 2022

2 Significant accounting policies (Continued)

Debt instruments at fair value through other comprehensive income (FVOCI)

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

- The asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and
- 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:

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

(a) the Company has transferred substantially all the risks and rewards of the asset, or

(b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Group'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."



MEP Infrastructure Private Limited

Notes to financial statements for the year ended 31 March 2022

2 Significant accounting policies (Continued)

B Financial liabilities

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

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

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

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.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated 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) 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.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above

vi) 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.

vii) 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.



MEP Infrastructure Private Limited

Notes to financial statements for the year ended 31 March 2022

2 Significant accounting policies (Continued)

viii) 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 recognised in the other comprehensive income.

ix) 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:

- the entity has a legally enforceable right to set off current tax assets against current tax liabilities; and
- 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 reversed 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.



MEP Infrastructure Private Limited

Notes to financial statements for the year ended 31 March 2022

2 Significant accounting policies (Continued)

x) 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.

xi) Recent Accounting Pronouncements

Standards issued but not yet effective

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1, 2022, as below:

Amendment to Existing issued Ind AS

The MCA has notified below amendments which are effective 1st April 2022:

- Amendments to Ind AS 103, Business Combinations
- Amendments to Ind AS 16, Property, Plant and Equipment
- Amendments to Ind AS 37, Provisions, Contingent Liabilities and Contingent Assets
- Amendments to Ind AS 109, Financial Instruments
- Amendments to Ind AS 116, Leases

Based on Preliminary work, the Company does not expect these amendments to have any significant impact on its Financial statements.



MEP Infrastructure Private Limited

(Currency: Indian rupees in lakhs)

Notes to financial statements for the year ended 31 March 2022

Note 3

Property, Plant and Equipment

As at March 31, 2022

	Gross Block (At Cost)			Accumulated Depreciation				Net Block	
	As at April 1, 2021	Additions/ Adjustments	Deductions	As at March 31, 2022	As at April 1, 2021	Charge for the period	Deductions	As at March 31, 2022	As at March 31, 2021
Tangible Assets:									
Office equipment	23.77	1.63	0.89	24.51	17.56	2.76	-	20.32	6.21
Vehicles	117.69	-	19.65	98.04	96.77	6.65	14.42	88.99	20.92
Computer system	147.61	19.60	6.47	160.73	127.45	14.92	-	142.37	20.16
Furniture and fixtures	1.85	-	0.16	1.69	1.56	0.05	-	1.61	0.29
Toll equipments	868.66	93.91	27.75	934.82	585.65	153.15	-	738.80	283.01
Toll Plaza	331.04	-	-	331.04	246.33	21.94	-	268.27	84.71
	1,490.62	115.14	54.92	1,550.83	1,075.32	199.47	14.42	1,260.36	415.30

As at March 31, 2021

	Gross Block (At Cost)			Accumulated Depreciation				Net Block	
	As at April 1, 2020	Additions/ Adjustments	Deductions	As at March 31, 2021	As at April 1, 2020	Charge for the period	Deductions	As at March 31, 2021	As at March 31, 2020
Tangible Assets:									
Office equipment	20.48	3.29	-	23.77	14.50	3.06	-	17.56	5.98
Vehicles	117.69	-	-	117.69	88.60	8.17	-	96.77	29.09
Computer system	138.34	9.27	-	147.61	110.80	16.65	-	127.45	27.54
Furniture and fixtures	1.85	-	-	1.85	1.46	0.10	-	1.56	0.39
Toll equipments	636.75	231.91	-	868.66	449.01	136.64	-	585.65	187.74
Toll Plaza	331.04	-	-	331.04	216.72	29.61	-	246.33	114.32
	1,246.15	244.47	-	1,490.62	881.09	194.23	-	1,075.32	365.06

*For details of Property, Plant and Equipment that have been pledged as a security / mortgaged with various Banks / Financial Institutions against loans taken. (Refer Note 15)



MEP Infrastructure Private Limited

(Currency: Indian rupees in lakhs)

Notes to financial statements for the year ended 31 March 2022

Note 3

Intangible assets

As at March 31, 2022

	Gross Block (At Cost)			As at March 31, 2022	Accumulated Amortization			As at March 31, 2022	Net Block	
	As at April 1, 2021	Additions/ Adjustments	Deductions/ Adjustments		As at April 1, 2021	Charge for the period	Deductions/ Adjustments		As at March 31, 2022	As at March 31, 2022
Intangible Assets:										
Toll collection rights*	1,80,685.51	-	-	1,80,685.51	66,637.12	16,183.58	-	82,820.70	97,864.81	1,14,048.39
Total	1,80,685.51	-	-	1,80,685.51	66,637.12	16,183.58	-	82,820.70	97,864.81	1,14,048.39

As at March 31, 2021

	Gross Block (At Cost)			As at March 31, 2021	Accumulated Amortization			As at March 31, 2021	Net Block	
	As at April 1, 2020	Additions/ Adjustments	Deductions/ Adjustments		As at April 1, 2020	Charge for the period	Deductions/ Adjustments		As at March 31, 2021	As at March 31, 2021
Intangible Assets:										
Toll collection rights*	1,80,685.51	-	-	1,80,685.51	52,493.72	14,143.40	-	66,637.12	1,14,048.39	1,28,191.79
Total	1,80,685.51	-	-	1,80,685.51	52,493.72	14,143.40	-	66,637.12	1,14,048.39	1,28,191.79

*Toll collection rights pertains to upfront payment to MSRDC to acquire the toll collection rights. The concession period for toll collection as per the Concession Agreement, as revised, is for a period of 16 years.



MEP Infrastructure Private Limited

(Currency: Indian rupees in lakhs)

Notes to financial statements for the year ended 31 March 2022

Note 4

Non Current Financial Assets-Long Term Loans

	As at March 31, 2022	As at March 31, 2021
To related parties		
- as loan [Refer note 4 (a)]*	27,433.39	27,433.39
Total	<u>27,433.39</u>	<u>27,433.39</u>

Note 4 (a) - loans to related parties

Ideal Toll & Infrastructure Private Limited	27,433.39	27,433.39
	<u>27,433.39</u>	<u>27,433.39</u>

*Refer Note 10 for current portion of loan

Note 5

Non current financial assets - others

	As at March 31, 2022	As at March 31, 2021
Fixed deposits with banks with maturity period more than twelve months from reporting date	312.50	340.13
Interest accrued on fixed deposits	7.43	3.93
Performance Security	824.88	760.56
Security deposits	15.02	14.62
Receivable from authority (Refer Note 5 (a))	65,091.39	40,218.70
Total	<u>66,251.22</u>	<u>41,337.94</u>

Note 5 (a) - receivable from authority

The Company has recognised claim of Rs.4,886.79 (March 31, 2021 : Rs.4,886.79 lakhs) receivable from Maharashtra State Road Development Co. Ltd (herein after referred as "MSRDC") towards "Change of scope / variation" clause of 48 (1), (2) and (3) of Volume III of the Concession Agreement.

The Company has recognised claim of Rs.60,204.60 lakhs (March 31, 2021 : Rs.35,331.91) receivable from Maharashtra State Road Development Co. Ltd (herein after referred as "MSRDC") towards "Force majeure" clause of 54.2 (v) of Volume III of the Concession Agreement.



MEP Infrastructure Private Limited

(Currency: Indian rupees in lakhs)

Notes to financial statements for the year ended 31 March 2022

Note 6

Taxation

i. Amounts recognised in profit or loss

	For the year ended March 31, 2022	For the year ended March 31, 2021
Current tax		
Current year	-	-
Tax for earlier years	79.74	-
Total current tax	<u>79.74</u>	<u>-</u>
Deferred tax		
Deferred tax on origination and reversal of temporary differences	4,453.25	2,520.44
Total deferred tax	<u>4,453.25</u>	<u>2,520.44</u>
Total Income tax (income) / expense	<u><u>4,532.99</u></u>	<u><u>2,520.44</u></u>

ii. Income Tax in Other Comprehensive income

	For the year ended March 31, 2022	For the year ended March 31, 2021
Remeasurement of defined benefit obligations	28.74	12.01
Tax expenses on the above	(10.83)	(0.15)
Net of tax	<u><u>17.91</u></u>	<u><u>11.86</u></u>

iii. Reconciliation of effective tax

The table below explains the differences between the expected tax expense, at the Indian statutory tax rate of 25.17% (31 March 2021: 31.20%) payable by corporate entities in India on taxable profits under tax laws in India, and the Company's total tax expense for the year.

	For the year ended March 31, 2022	For the year ended March 31, 2021
Profit before tax as per Statement of Profit and loss	15,945.34	10,796.41
Tax using the domestic tax rate of company	4,013.12	3,368.48
Tax effects of:		
Expenses not deductible for tax purposes	136.18	3.31
Others	383.69	(851.35)
Income tax expense	<u><u>4,532.99</u></u>	<u><u>2,520.44</u></u>
Effective Tax Rate	28.43%	23.35%



MEP Infrastructure Private Limited

(Currency: Indian rupees in lakhs)

Notes to financial statements for the year ended 31 March 2022

Note 6

Movement in deferred tax balances

	As at March 31, 2021	in profit or loss	Recognised in OCI	As at March 31, 2022
Deferred tax assets				
Carry forward business loss and unabsorbed depreciation	30,279.44	(13,085.95)	-	17,193.49
Provision for employee benefits	143.25	25.52	(10.83)	157.94
Property, plant and equipment	(98.38)	(169.91)	-	(268.29)
Intangible asset	(29,975.21)	8,424.22	-	(21,550.99)
Loans to related parties	(1,539.21)	297.58	-	(1,241.63)
Borrowings	(106.05)	60.61	-	(45.44)
Performance security - Financial asset	35.51	(5.32)	-	30.19
Mat Credit entitlement	79.74	(79.74)	-	-
Total deferred tax assets	(1,180.91)	(4,532.99)	(10.83)	(5,724.72)

The company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Significant management judgement is required in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income and the period over which deferred income tax assets will be recovered. Any changes in future taxable income would impact the recoverability of deferred tax assets.



MEP Infrastructure Private Limited

(Currency: Indian rupees in lakhs)

Notes to financial statements for the year ended 31 March 2022

Note 7

Other non current assets

(Unsecured, considered good unless otherwise stated)

	As at March 31, 2022	As at March 31, 2021
To related parties [refer note 7 (a) below]		
- as mobilisation advance	7,822.08	7,014.52
To parties other than related parties		
Balances with government authorities	-	0.25
Prepaid expenses	211.68	269.86
Income tax assets	141.27	117.83
	<u>8,175.03</u>	<u>7,402.46</u>

*Refer Note 12 for current portion of mobilisation and prepaid expenses

Refer note 7 (a) - advances to related parties

Mobilisation advance

- MEP Infrastructure Developers Limited

7,822.08

7,014.52

The Company has given mobilisation advance towards the long term maintenance contract entered into by the Company for maintenance of specified flyovers and allied structures as mentioned in the Concession Agreement entered by the Company with MSRDC.

7,822.08

7,014.52



MEP Infrastructure Private Limited

(Currency: Indian rupees in lakhs)

Notes to financial statements for the year ended 31 March 2022

Note 8

Current Financial Assets-Investment

	As at March 31, 2022	As at March 31, 2021
Investment in Mutual Funds (March 31, 2021:498,916.312 Units)*	-	175.09
	<u>-</u>	<u>175.09</u>

*Investment in mutual funds are provided as a lien to financial institution for maintenance of Debt Service Reserve Account.

Note 9 (i)

Current Financial Assets-Cash and cash equivalents

	As at March 31, 2022	As at March 31, 2021
Bank balances		
In current accounts	207.16	69.35
Cash on hand	451.28	138.91
	<u>658.44</u>	<u>208.26</u>

Note 9 (ii)

Current Financial Assets-Other Bank Balances

	As at March 31, 2022	As at March 31, 2021
Bank deposits with maturity from 3-12 months	200.14	164.42
	<u>200.14</u>	<u>164.42</u>

Details of bank deposits

Bank deposits due to mature within 12 months of the reporting date included under 'Other bank balances'	200.14	164.42
Bank deposits due to mature after 12 months of the reporting date included under 'Other non current financial assets (Refer note 5)'	312.50	340.13
	<u>512.64</u>	<u>504.55</u>

Bank deposit include fixed deposits with bank of Rs. 512.64 lakhs (March 31, 2021: Rs. 504.55 lakhs) which is provided as lien for the bank guarantee given to authority



MEP Infrastructure Private Limited

(Currency: Indian rupees in lakhs)

Notes to financial statements for the year ended 31 March 2022

Note 10

Current Financial Assets-Loans

(Unsecured, considered good unless otherwise stated)

	As at March 31, 2022	As at March 31, 2021
To related parties [Refer note 9(a)]		
- as loan	10,500.00	10,531.12
To parties other than related parties		
Loans to employees	14.85	10.97
	<u>10,514.85</u>	<u>10,542.09</u>
Note 9 (a) - loans to related parties		
- Ideal Toll & Infrastructure Private Limited	10,500.00	10,500.00
- MEP Infraprojects Private Limited	-	31.12
	<u>10,500.00</u>	<u>10,531.12</u>

Note 11

Current Financial Assets-Others

(Unsecured, considered good unless otherwise stated)

	As at March 31, 2022	As at March 31, 2021
Interest receivable		
- accrued on fixed deposits	1.64	3.84
- accrued on loans to related parties	21,187.80	21,337.80
Other receivable		
- receivable from related parties	69.18	68.27
- receivable from other than related parties	168.09	266.91
	<u>21,426.71</u>	<u>21,676.82</u>

Note 12

Other current assets

(Unsecured, considered good unless otherwise stated)

	As at March 31, 2022	As at March 31, 2021
To related parties		
Mobilisation advance [Refer note 12 (a)]	874.37	2,048.05
To parties other than related parties		
Capital advances	4.26	0.72
Advance to suppliers	27.93	22.08
Prepaid expenses	95.42	117.95
Balances with government authorities	-	151.15
	<u>1,001.98</u>	<u>2,339.95</u>

Note 12 (a) - Mobilisation advance to related parties

Mobilisation advances

- MEP Infrastructure Developers Limited	874.37	2,048.05
	<u>874.37</u>	<u>2,048.05</u>



MEP Infrastructure Private Limited

(Currency: Indian rupees in lakhs)

Notes to financial statements for the year ended 31 March 2022

Note 13

Equity Share Capital

	As at March 31, 2022	As at March 31, 2021
[a] Authorised share capital		
380,000,000 (March 31, 2021 : 380,000,000) equity shares of Rs 10 each	38,000.00	38,000.00
	<u>38,000.00</u>	<u>38,000.00</u>
[b] Issued, Subscribed and paid up		
374,280,000 (March 31, 2021 : 374,280,000) equity shares of Rs 10 each	37,428.00	37,428.00
	<u>37,428.00</u>	<u>37,428.00</u>

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

	As at March 31, 2022		As at March 31, 2021	
	Number of Shares	Amount	Number of Shares	Amount
Equity :				
Shares outstanding at the beginning of the year	37,42,80,000	37,428.00	37,42,80,000	37,428.00
Issued during the year	-	-	-	-
Shares outstanding at the end of the year	<u>37,42,80,000</u>	<u>37,428.00</u>	<u>37,42,80,000</u>	<u>37,428.00</u>

[d] 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

[e] Shares held by its holding company / ultimate holding company

Name of the shareholder	As at March 31, 2022		As at March 31, 2021	
	Number of Shares	Amount	Number of Shares	Amount
MEP Infrastructure Developers Limited (Holding Company)	37,42,78,998	37,427.90	37,42,78,998	37,427.90
	<u>37,42,78,998</u>	<u>37,427.90</u>	<u>37,42,78,998</u>	<u>37,427.90</u>

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

Name of the shareholder	As at March 31, 2022		As at March 31, 2021	
	Number of Shares	Percentage	Number of Shares	Percentage
MEP Infrastructure Developers Limited (Holding Company)	37,42,78,998	99.999%	37,42,78,998	99.999%

[g] Details of promotor's shareholders holding in the Company:

Name of the shareholder	As at March 31, 2022		As at March 31, 2021	
	Number of Shares	Percentage	Number of Shares	Percentage
Ideal Toll & Infrastructure Private Limited	1,000	0.000%	1,000	0.000%
Jayant D. Mhaiskar	1	0.000%	1	0.000%
Anuya J. Mhaiskar	1	0.000%	1	0.000%



MEP Infrastructure Private Limited

(Currency: Indian rupees in lakhs)

Notes to financial statements for the year ended 31 March 2022

Note 14

Other equity

Retained earnings

Particulars	As at March 31, 2022	As at March 31, 2021
Balance as at the beginning of the year / period	(9,902.93)	(18,190.76)
Profit for the year / period	11,412.35	8,275.97
Other comprehensive income	17.91	11.86
Balance as at the end of the year / period	1,527.33	(9,902.93)



MEP Infrastructure Private Limited

(Currency: Indian rupees in lakhs)

Notes to financial statements for the year ended 31 March 2022

Note 15

Non-current liabilities - Financial Liabilities - Long term borrowings

	As at March 31, 2022	As at March 31, 2021
Term loans		
- from banks	55,445.39	84,269.65
- from financial institutions	37,767.50	61,230.74
Total	<u>93,212.89</u>	<u>1,45,500.39</u>

*Refer Note 18 for the Current Maturities of Non-current Borrowings

*Refer Note 28 for for liquidity risk

I) Term loans includes a loan amounting to Rs 1,33,023.88 lakhs (March 31, 2021 : Rs 1,47,120.40 lakhs) which is taken from a consortium consisting of a banks and financial institutions.

The loan is secured by a first pari-passu charge as below :

- a) on entire cash flows, receivables, book debts, toll collection (from the project) and revenues of the company;
- b) by way of hypothecation of entire movable properties of the Company, (including movable plant and machinery, machinery, spares, tools and accessories, furniture, fixtures, vehicles, inventories and all other movable properties);
- c) entire intangible assets of the borrower, including but not limited to, goodwill and uncalled capital, if any;
- d) by way of hypothecation / mortgage / assignment, as the case may be of all the rights, title, interest, benefits, claims, insurance contracts, demands; and
- e) on the Trust and Retention Account, escrow account and debt service reserve.

Further, the term loan is also secured by additional collateral as below :

- a) 51% pledge of share capital of the Company held by MEP Infrastructure Developers Limited, the holding Company and Ideal Toll & Infrastructure Private Limited, the associate Company; and
- b) corporate guarantees jointly given by MEP Infrastructure Developers Limited, the holding Company and Ideal Toll & Infrastructure Private Limited, the associate Company;

The term loan from the consortium carries interest calculated on the base rate of the respective financial institutions and banks and a spread ranging from 1.85% - 4.50% p.a.

Of the above ,the term loan from banks and financial institutions, are repayable in 312 structured fortnightly installments commencing from 1 October 2011 and a term loan from the other financial institution is repayable in 109 monthly installments commencing from 1 October 2012. The takeout facility of Rs. 24,131.63 lakhs (March 31, 2021 : Rs 24,881.63 lakhs) is repayable in 99 monthly installments commencing from 31 August 2016.



MEP Infrastructure Private Limited

(Currency: Indian rupees in lakhs)

Notes to financial statements for the year ended 31 March 2022

Non-current liabilities - Financial Liabilities - Long term borrowings (Continued)

II) Apart from the above, the term loan includes loan from one of the consortium lenders of Rs 22,298.21 lakhs (March 31,2021 : Rs 24,361.73 lakhs) which is secured as mentioned above.

The loan carries interest calculated on the base rate of the bank plus spread of 2.90% p.a.

The loan is repayable in 324 structured fortnightly installments commencing from 1 October 2011.

III) Term loans also include a loan from a financial institution amounting to Rs 15,200.31 lakhs (March 31.2021 : Rs 16,022.35 lakhs) and the loan is secured by way of first charge on debt service reserve account and by way of second charge as below:

- a) on entire cash flows, receivables, book debts, toll collection (from the project) and revenues of the company;
- b) by way of hypothecation of entire movable properties of the Company, (including movable plant and machinery, machinery, spares, tools and accessories, furniture, fixtures, vehicles, inventories and all other movable properties);
- c) entire intangible assets of the borrower, including but not limited to, goodwill and uncalled capital, if any;
- d) by way of hypothecation / mortgage / assignment, as the case may be of - all the rights, title, interest, benefits, claims, other banks accounts, other reserve and demands;
- e) the Trust and Retention Account, escrow account; and
- f) by personal guarantee given by Mr. Jayant Mhaiskar, Promotor of the Company

Further, the term loan is secured by corporate guarantees jointly given by MEP Infrastructure Developers Limited, the holding Company and Ideal Toll & Infrastructure Private Limited, associate Company. The interest rate on the term loan is the existing prime lending rate less 2.00% p.a. The loan is repayable in 156 monthly instalments commencing from 1 July 2012.

On 29 March 2022, L&T Finance Limited has assigned and transferred the loan facility to Phoenix ARC Private Limited (Trustee of Phoenix Trust - FY22-16). All underlying securities interests thereto and all the their rights, title and interests in all agreements, deeds and documents in relation to or in connection with the facilities shall remain unchanged and shall continue to be in full force and effect.

As at 31 March 2022, The Company has delayed in repayment of Principal installments of Rs 24,399.72 lakhs and Interest portion of the loan Rs 14,681.64 lakhs.

Note 16

Other Non-current liabilities

	As at March 31, 2022	As at March 31, 2021
Deferred Revenue	194.85	246.24
	<u>194.85</u>	<u>246.24</u>



MEP Infrastructure Private Limited

(Currency: Indian rupees in lakhs)

Notes to financial statements for the year ended 31 March 2022

Note 17

Provisions

	As at March 31, 2022	As at March 31, 2021
Non-Current Liability - Provisions		
Employee benefits		
Gratuity (Refer Note 34)	216.86	217.31
(A)	216.86	217.31
Current Liability - Provisions		
Employee benefits		
Gratuity (Refer Note 34)	117.68	109.82
(B)	117.68	109.82
Total (A)+(B)	334.54	327.13



MEP Infrastructure Private Limited

(Currency: Indian rupees in lakhs)

Notes to financial statements for the year ended 31 March 2022

Note 18

Current financial liabilities - Short term borrowings	As at March 31, 2022	As at March 31, 2021
Current maturities of long term borrowings	77,128.01	41,666.49
Total	77,128.01	41,666.49

*Refer Note 28 for for liquidity risk

Note 19

Current Financial Liability-Trade payables

Trade payables	As at March 31, 2022	As at March 31, 2021
- dues of micro and small enterprises**	108.88	56.65
- others*	438.60	885.59
	547.48	942.24

*The carrying amount of trade payables as at reporting date at fair value. Refer Note 29 for liquidity risk.

**Disclosure for Micro, Small and Medium Enterprises

On the basis of the information and records available with the management there are Rs. 108.88 lakhs is payable to Micro and Small Enterprises as on 31st March, 2022 (As at 31 March 2021 is Rs. 56.65 lakhs). Further, disclosures under the Micro, Small and Medium Enterprises Development Act, 2006 are given below.

Particulars	As at March 31, 2022	As at March 31, 2021
Principal amount remaining unpaid to any supplier.	108.88	56.65
Interest due thereon.	-	-
The amount of interest paid by the buyer as per the Micro Small and Medium Enterprises Development Act, 2006 (MSMED Act, 2006).	-	-
The amounts of the payments made to micro and small suppliers beyond the appointed day during each accounting year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act, 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under the MSMED Act, 2006.	-	-
Total	108.88	56.65



MEP Infrastructure Private Limited

(Currency: Indian rupees in lakhs)

Notes to financial statements for the year ended 31 March 2022

Ageing for trade payables outstanding is as follows

Particulars	As at March 31, 2022	As at March 31, 2021
- dues of micro and small enterprises		
Less than 1 year	104.97	56.65
1-2 years	3.91	-
2-3 years	-	-
More than 3 years	-	-
	108.88	56.65
- others		
Less than 1 year	389.43	550.58
1-2 years	35.18	19.32
2-3 years	4.70	9.09
More than 3 years	9.29	306.59
	438.60	885.59

Note 20

Current Financial Liability-Others

	As at March 31, 2022	As at March 31, 2021
Interest accrued but not due on borrowings	667.42	764.49
Interest accrued and due on borrowings	14,681.64	5,148.77
Employee benefits expense payable	680.26	835.64
Security deposits from contractors / customers	30.68	39.27
Payable to related parties	6.79	10.70
Other liabilities	820.70	583.80
Total	16,887.49	7,382.67

Refer Note 29 for liquidity risk.

Note 21

Other current liabilities

	As at March 31, 2022	As at March 31, 2021
Deferred revenue	51.39	51.39
Toll income received in advance	740.48	841.64
Statutory dues payable	39.86	79.94
	831.73	972.97



MEP Infrastructure Private Limited

(Currency: Indian rupees in lakhs)

Notes to financial statements for the year ended 31 March 2022

	For the year ended March 31, 2022	For the year ended March 31, 2021
Note 22		
Revenue from operations		
Toll collection	37,258.45	21,984.44
Other operating income		
- Claim from authority	25,182.55	32,504.61
	<u>62,441.00</u>	<u>54,489.05</u>
Note 23		
Other Income		
Interest income		
- from fixed deposits	21.73	26.05
- from loans to related parties	-	2,192.37
- from others	64.53	59.59
Provision no longer required write back	237.61	-
Miscellaneous income	55.94	60.29
	<u>379.81</u>	<u>2,338.30</u>
Note 24		
Operating and maintenance expenses		
Concession fees to authority	58.18	58.18
Road repairing and maintenance expenses	2,662.70	2,746.22
Toll attendant expenses	715.61	995.45
Supervision and independent engineer fees to authority	200.08	203.50
Other site operational expenses	701.94	688.19
	<u>4,338.51</u>	<u>4,691.54</u>
Note 25		
Employee benefits expense		
Salaries, wages and bonus	1,759.25	1,796.81
Contribution to provident and other funds (Refer Note 34)	113.55	98.97
Gratuity expenses (Refer Note 34)	41.31	37.06
Staff welfare expenses	70.00	69.84
	<u>1,984.11</u>	<u>2,002.68</u>
Note 26		
Finance costs		
Interest expenses		
- banks	12,364.26	13,572.32
- financial institutions	10,570.36	10,689.96
Other Borrowing Costs		
- others	20.33	17.40
- bank guarantee and commission	51.11	50.19
	<u>23,006.06</u>	<u>24,329.87</u>



MEP Infrastructure Private Limited

(Currency: Indian rupees in lakhs)

Notes to financial statements for the year ended 31 March 2022

	For the year ended March 31, 2022	For the year ended March 31, 2021
Note 27		
Other expense		
Rent	6.70	19.60
Rates and taxes	18.62	18.69
Director sitting fees	2.12	1.77
Insurance	13.67	10.77
Business promotion expenses	-	-
Legal consultancy and professional fees	158.25	128.72
Travelling and conveyance expenses	186.38	158.24
Repair and maintenance	-	-
- to vehicle	8.22	14.41
- to computers	21.53	10.33
- others	101.43	166.35
Auditors remuneration	10.62	10.62
Miscellaneous expenses	636.20	129.72
	1,163.74	669.22



MEP Infrastructure Private Limited

(Currency: Indian rupees in lakhs)

Notes to financial statements for the year ended 31 March 2022

Note 28

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

As at March 31, 2022	Carrying amount			Fair value			
	Fair value through Profit and Loss statement	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets							
Non current financial assets - loans	-	27,433.39	27,433.39	-	-	-	-
Non current financial assets - others	-	66,251.22	66,251.22	-	-	-	-
Current financial assets - loans	-	10,514.85	10,514.85	-	-	-	-
Cash and cash equivalents	-	658.44	658.44	-	-	-	-
Other current financial assets	-	21,426.71	21,426.71	-	-	-	-
	-	1,26,284.61	1,26,284.61	-	-	-	-
Financial liabilities							
Long term borrowings	-	93,212.89	93,212.89	-	-	-	-
Trade and other payables	-	547.48	547.48	-	-	-	-
Other current financial liabilities	-	16,887.49	16,887.49	-	-	-	-
	-	1,10,647.86	1,10,647.86	-	-	-	-
As at March 31, 2021	Fair value through Profit and Loss statement	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets							
Non current financial assets - loans	-	27,433.39	27,433.39	-	-	-	-
Non current financial assets - others	-	41,337.94	41,337.94	-	-	-	-
Current financial assets - loans	-	10,542.09	10,542.09	-	-	-	-
Cash and cash equivalents	-	208.26	208.26	-	-	-	-
Other current financial assets	-	21,676.82	21,676.82	-	-	-	-
	-	1,01,198.50	1,01,198.50	-	-	-	-
Financial liabilities							
Long term borrowings	-	1,45,500.39	1,45,500.39	-	-	-	-
Trade and other payables	-	942.24	942.24	-	-	-	-
Other current financial liabilities	-	7,382.67	7,382.67	-	-	-	-
	-	1,53,825.30	1,53,825.30	-	-	-	-



MEP Infrastructure Private Limited

(Currency: Indian rupees in lakhs)

Notes to financial statements for the year ended 31 March 2022

Note 29

Financial Risk Management

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

- i) Credit risk ;
- ii) Liquidity risk ; and
- iii) Market risk

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.

i) 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 sales 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/deposits

The Company held cash equivalents and other bank balances/deposits of Rs 719.80 lakhs at March 31, 2022 (March 31, 2021: Rs 748.99 lakhs). The cash equivalents and other bank balances/deposits are held with bank counterparties with good credit ratings.

ii) Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time, or at a reasonable price. The company'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 Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

Maturity pattern of Financial - Liabilities

As at	Carrying amount	Total	0-1 year	1-2 years	2-5 years	More than 5 years
March 31, 2022						
Non-derivative financial liabilities						
Borrowings and interest thereon	1,70,340.90	1,97,623.32	91,699.19	50,737.26	55,186.87	-
Trade payables	547.48	547.48	547.48	-	-	-
Other payables	16,887.49	16,887.49	16,887.49	-	-	-
	1,87,775.87	2,15,058.29	1,09,134.16	50,737.26	55,186.87	-
As at	Carrying amount	Total	0-1 year	1-2 years	2-5 years	More than 5 years
March 31, 2021						
Borrowings and interest thereon	1,87,166.88	2,34,225.74	61,259.42	67,042.67	1,05,923.65	-
Trade payables	942.24	942.24	942.24	-	-	-
Other payables	7,382.67	7,382.67	7,382.67	-	-	-
	1,95,491.79	2,42,550.65	69,584.33	67,042.67	1,05,923.65	-

iii) 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.

- 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.



MEP Infrastructure Private Limited

(Currency: Indian rupees in lakhs)

Notes to financial statements for the year ended 31 March 2022

Note 29

Financial Risk Management (Continued)

- 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.

Exposure to interest rate risk

Company's interest rate risk arises from borrowings. Borrowings taken and issued at fixed and floating rates exposes company to fair value and cashflow interest rate risk. The interest rate profile of the Company's interest-bearing financial instruments as reported to the management of the Company is as follows.

	As at March 31, 2022	As at March 31, 2021
Fixed-rate instruments		
Financial assets	527.49	44,015.53
Financial liabilities	-	3.12
	<u>527.49</u>	<u>44,018.65</u>
Variable-rate instruments		
Financial assets	-	-
Financial liabilities	1,70,522.40	1,87,504.48
	<u>1,70,522.40</u>	<u>1,87,504.48</u>
	<u>1,71,049.89</u>	<u>2,31,523.13</u>

Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased (decreased) profit or loss by the amounts shown below. This analysis assumes that all other variables, remain constant.

	Profit or loss	
	100 bp increase	100 bp decrease
March 31, 2022		
Variable-rate instruments	(1,705.22)	1,705.22
Cash flow sensitivity (net)	<u>(1,705.22)</u>	<u>1,705.22</u>
March 31, 2021		
Variable-rate instruments	(1,875.04)	1,875.04
Cash flow sensitivity (net)	<u>(1,875.04)</u>	<u>1,875.04</u>

The risk estimates provided assume a parallel shift of 100 basis points interest rate across all yield curves. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The period end balances are not necessarily representative of the average debt outstanding during the period.

Capital management

For the purpose of the Company's capital management, capital includes issued capital and other equity reserves. The primary objective of the 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 March 31, 2022	As at March 31, 2021
Non-current borrowings	93,212.89	1,45,500.39
Current maturities of long term borrowings	77,128.01	41,666.49
Gross debt	<u>1,70,340.90</u>	<u>1,87,166.88</u>
Less : Cash and cash equivalents	(658.44)	(208.26)
Less : Other bank balances	-	175.09
Adjusted net debt	<u>1,69,682.46</u>	<u>1,87,133.71</u>
Total equity	38,955.33	27,525.07
Adjusted net debt to adjusted equity ratio	4.36	6.80



MEP Infrastructure Private Limited

(Currency: Indian rupees in lakhs)

Notes to financial statements for the year ended 31 March 2022

Note 30

Earnings per share

	March 31, 2022	March 31, 2021
Profit after tax for basic earnings per share	11,412.35	8,275.97
Number of equity shares at the beginning of the year	37,42,80,000	37,42,80,000
Number of equity shares at the end of the year	37,42,80,000	37,42,80,000
Weighted average number of equity shares outstanding during the year	37,42,80,000	37,42,80,000
Basic and diluted earnings per equity share (Rs)	3.05	2.21
Face value per equity share (Rs)	10.00	10.00

Note 31

Contingent liabilities and capital commitments

	March 31, 2022	March 31, 2021
a) Contingent liabilities		
Bank guarantees	2,937.91	2,946.00
Claims made against the Company not acknowledged as debts by the Company*	21,335.62	21,335.62
	24,273.53	24,281.62
b) Capital commitments		
Estimated amount of contracts remaining to be executed on capital account (net of advances)	161.32	61.40
	161.32	61.40

Note 32

Auditor's remuneration (Including service tax)

	March 31, 2022	March 31, 2021
Audit fees	10.62	10.62
	10.62	10.62

Note 33

Segment information

The Company is engaged in the business of toll collection along with road repairs and maintenance of structures, flyovers, etc. which is the only business segment of the Company. The Company does not have any separate geographical segment since all its operations are carried out in India. Hence, there are no separate reportable segments, as required by 'Indian Accounting Standard (IndAS) 108' on "Segment reporting"

Note 34

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 with the associated enterprises 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 associated enterprises during the year.



MEP Infrastructure Private Limited

(Currency: Indian rupees in lakhs)

Notes to financial statements for the year ended 31 March 2022

Note 34

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.

The Company has recognised the following amounts in the Statement of Profit and Loss for the year.

	As at March 31, 2022	As at March 31, 2021
Employer's contribution to Provident Fund	77.23	69.04
Employer's contribution to Employee state Insurance Corporation	36.32	29.93
Employer's Contribution to Maharashtra Labour Welfare Fund	-	-
	<u>113.55</u>	<u>98.97</u>

Defined Benefit Plan - Gratuity

The Company has defined benefit plan for gratuity which is unfunded. The scheme provides payment to vested employees at retirement, death or on resignation/termination of employment of an amount equivalent to 15 days salary for each completed year of service or part thereof in excess of six months. Vesting occurs upon completion of five years of service.

Present value of the defined benefit liabilities

The amount included in the Balance sheet arising from the Company's obligations in respect of its defined benefit schemes is as follows:

	As at March 31, 2022	As at March 31, 2021
Movement in defined benefit obligations:		
At the beginning of the year	327.13	264.11
Current service cost	29.47	25.53
Past service cost	-	-
Interest cost	11.84	11.53
Remeasurements :		
- (Gain)/loss from change in financial assumptions	(9.44)	8.53
- (Gain)/loss from change in demographic assumptions	-	-
Experience (gains)/losses	(19.31)	(19.40)
Benefits paid	(3.02)	(7.75)
Liabilities assumed / (settled)	(2.13)	44.58
At the end of the year	334.54	327.13
Amount recognised in the balance sheet		
	As at March 31, 2022	As at March 31, 2021
Present value of obligations	334.54	327.13
Present value of plan assets	-	-
Net liability recognised	334.54	327.13

Classification into Current / Non-current

The liability in respect of the plan comprises of the following current and non-current portion

	As at March 31, 2022	As at March 31, 2021
Current	117.68	109.82
non-current	216.86	217.31
	<u>334.54</u>	<u>327.13</u>



MEP Infrastructure Private Limited

(Currency: Indian rupees in lakhs)

Notes to financial statements for the year ended 31 March 2022

Note 34

Employee benefits (Continued)

The components of defined plan cost are as follows

	As at March 31, 2022	As at March 31, 2021
Recognised in income statement		
Current service cost	29.47	25.53
Past service cost	-	-
Interest cost / (income) (net)	11.84	11.53
Expected return on plan assets	-	-
Total	41.31	37.06
Recognised in Other Comprehensive Income		
Remeasurement of net defined benefit liability/(asset)	(28.74)	(10.88)
Expenses recognised in Total Comprehensive Income	12.57	26.18

The principal actuarial assumptions used for estimating the Company's benefit obligations are set out below (on a weighted average basis):

	As at March 31, 2022	As at March 31, 2021
Rate of increase in salaries	6.00%	6.00%
Discount rate	5.25%	4.35%
Expected average remaining service lives of the employees	2.14	2.14

Notes:

1. Discount rate

The discount rate is based on the prevailing market yields of Indian government securities for the estimated term of the obligations.

2. Salary escalation rate

The estimates of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.

3. Assumptions regarding future mortality experience are set in accordance with the statistics published by the Life Insurance Corporation of India

Sensitivity of the defined benefit obligation :	Change in assumption	Effect on Gratuity Obligation	
		As at March 31, 2022	As at March 31, 2021
Discount rate	Minus 50 basis points	5.19	5.23
	Plus 50 basis points	(5.02)	(5.07)
Rate of increase in salaries	Minus 50 basis points	(4.92)	(4.71)
	Plus 50 basis points	4.98	4.74

The above sensitivity analyses have been calculated to show the movement in defined benefit obligation in isolation and assuming there are no other changes in market conditions at the reporting date. In practice, generally it does not occur. When we change one variable, it affects to others. In calculating the sensitivity, project unit credit method at the end of the reporting period has been applied.

The Company makes payment of liabilities from its cash and cash equivalent balances whenever liability arises.

Defined benefit liability and employer contribution

Expected cash flow profile of the benefits to be paid is as follows:

	Less than a year	Between 1-2 years	Between 2-5 years	Over 5 years	Total
March 31, 2022					
Defined benefit obligations (Gratuity)	117.68	69.63	122.55	88.91	398.77
Total	117.68	69.63	122.55	88.91	398.77
March 31, 2021					
Defined benefit obligations (Gratuity)	109.82	66.54	118.45	84.68	379.48
Total	109.82	66.54	118.45	84.68	379.48



MEP Infrastructure Private Limited

(Currency: Indian rupees in lakhs)

Notes to financial statements for the year ended 31 March 2022

Note 35

Related party disclosures

Name of related parties and the nature of relationship	Nature of relationship
I) Name of related parties where control exists :	
MEP Infrastructure Developers Limited	Holding Company
II) Name of related parties with whom transactions have taken during the year :	
MEP Highway Solutions Private Limited	Fellow Subsidiary
Raima Toll Road Private Limited	Fellow Subsidiary
MEP Roads & Bridges Private Limited	Fellow Subsidiary
Mep Chennai Bypass Toll Road Private Limited	Fellow Subsidiary
Mep IRDP Solapur Toll Road Private Limited	Fellow Subsidiary
Raima Toll & Infrastructure Private Limited	Fellow Subsidiary
Raima Ventures Private Limited	Fellow Subsidiary
Rideema Toll Bridge Private Limited	Fellow Subsidiary
Baramati Tollways Private Limited	Fellow Subsidiary
MEP Hyderabad Bangalore Toll Road Private Limited	Fellow Subsidiary
MEP Infra Project Private Limited	Fellow Subsidiary
MEP RGSL Toll Bridge Private Limited	Fellow Subsidiary
MEP Tormato Private Limited	Fellow Subsidiary
MEP Longian VTR Private Limited	Fellow Subsidiary
MEP Sanjose Aravali Kante Road Private Limited	Jointly Controlled entities by Holding Company
Ideal Toll & Infrastructure Private Limited	Enterprises over which significant influence is exercised by key managerial personnel and with whom transactions have taken place
Anuya Mhaiskar	Key Management Person
Sudha D. Mhaiskar	Key Management Person
Chetna Chawla (Onward 1 June 2021)	Key Management Person
Pritesh Zhaveri (Upto 31 May 2021)	Key Management Person

Disclosures of material transactions with related parties and balances

I) Transactions during the year

Name of related party	Nature of transactions	31 March 2022	31 March 2021
Holding Company			
MEP Infrastructure Developers Limited	Refund of mobilisation advance	745.68	6,386.03
	Adjustment of mobilisation advance against billing	1,437.54	1,766.41
	Mobilisation advance given	1,817.09	130.86
	Expenses incurred on our behalf	1.74	149.60
	Expenses incurred on behalf of	7.98	845.02
	Road repair and maintenance expenses	1,507.67	2,448.45
Fellow Subsidiary			
MEP Highway Solutions Private Limited	Repayment of trade payable	0.98	-
Bhalaji Toll Road Private Limited (Formerly Known as Baramati Tollways Private Limited)	Acquisition of liability (Gratuity)	-	1.91
	Transfer of liability (Gratuity)	5.38	-
	Repayment of payable	7.50	-
MEP Infra Project Private Limited	Acquisition of liability (Gratuity)	-	19.44
	Receipt of loan given	31.12	2,558.00
MEP RGSL Toll Bridge Private Limited	Acquisition of liability (Gratuity)	-	6.06
	Transfer of liability (Gratuity)	0.48	-
MEP Tormato Private Limited	Transfer of liability (Gratuity)	-	16.78
	Receipt of receivable	3.50	-
MEP Longian VTR Private Limited	Acquisition of liability (Gratuity)	0.22	0.51
Enterprises over which significant influence is exercised by key managerial personnel and with whom transactions have taken place			
Ideal Toll & Infrastructure Private Limited	Receipt of interest receivable	150.00	566.00
	Interest income	-	3,309.04
Key Management Person			
Sudha D. Mhaiskar	Key managerial remuneration	-	27.00
Anuya J., Mhaiskar	Key managerial remuneration	-	67.50
Pritesh Zahveri (Upto 31 May 2021)	Key managerial remuneration	1.69	4.24
Chetna Chawla (Onward 1 June 2021)	Key managerial remuneration	5.74	-



MEP Infrastructure Private Limited

(Currency: Indian rupees in lakhs)

Notes to financial statements for the year ended 31 March 2022

Note 35

Related party disclosures (Continued)

Disclosures of material transactions with related parties and balances

II) Balances at the end of the year / period

Name of related party and relationship	Nature of transactions	31 March 2022	31 March 2021
Holding Company			
MEP Infrastructure Developers Limited	Mobilisation advance given	8,696.44	9,062.57
	Payable	-	1.80
	Receivable	4.69	-
Fellow Subsidiary			
MEP Highway Solutions Private Limited	Trade payable	-	311.73
	Receivable	0.88	1.86
Bhalaji Toll Road Private Limited (Formerly Known as Baramati Tollways Private Limited)	Payable	5.45	7.56
MEP Hyderabad Bangalore Toll Road Private Limited	Receivable	6.22	6.22
MEP Infra Project Private Limited	Receivable	19.44	19.44
	Loan given	-	31.12
MEP RGSL Toll Bridge Private Limited	Receivable	3.74	3.26
MEP Tormato Private Limited	Receivable	8.20	11.70
Mep Chennai Bypass Toll Road Private Limited	Receivable	5.97	5.97
Rideema Toll Bridge Private Limited	Receivable	18.50	18.50
MEP Longian VTR Private Limited	Receivable	0.23	0.01
Jointly Controlled entities by Holding Company			
MEP Sanjose Aravali Kante Road Private Limited	Payable	1.34	1.34
Enterprises over which significant influence is exercised by key managerial personnel			
Ideal Toll & Infrastructure Private Limited	Loan given	37,933.39	37,933.39
	Interest receivable on loan given	21,187.80	21,337.80
	Receivable	1.31	1.31
Key Management Person			
Sudha D. Mhaiskar	Managerial remuneration payable	76.01	76.01
Anuya J. Mhaiskar	Managerial remuneration payable	187.64	187.64
Pritesh Zahveri (Upto 31 May 2021)	Managerial remuneration payable	-	3.29
Chetna Chawla (Onward 1 June 2021)	Managerial remuneration payable	1.32	-



MEP Infrastructure Private Limited

(Currency: Indian rupees in lakhs)

Notes to financial statements for the year ended 31 March 2022

Note 36

Other Disclosures

(i) **Registration of charges or satisfaction with Registrar of Companies (ROC)**

No charges or satisfaction yet to be registered with ROC beyond the statutory period by the company.

(ii) **Compliance with number of layers of companies**

The company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

(iii) **Utilisation of Borrowed funds:**

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

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

- Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(iv) **Details of Benami Property held**

There are no proceedings which have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

(v) **Undisclosed income**

The Company will not have any transaction which not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

(vi) The Company has not been declared willful defaulter by any of the banks or financial institutions or any other lender.

(vii) The Company does not deal with the struck off companies.

(viii) The funds borrowed for short term purposes have not been utilized for any other purpose / long term purposes.

(ix) The Company does not trade or invest in any crypto currency.

(x) The title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), are held in the name of the Company.



MEP Infrastructure Private Limited

(Currency: Indian rupees in lakhs)

Notes to financial statements for the year ended 31 March 2022

Note 37

Following are the analytical ratios for the year ended 31 March 2022 and 31 March 2021

Ratio	Numerator	Denominator	As at 31 March 2022	As at 31 March 2021	Variance %
Current Ratio (times)	Current Assets	Current liabilities	0.35	0.69	-49%
Debt Service Coverage Ratio (times)	Profit before tax + Finance cost + Depreciation and Amortisation	Debt service	1.82	1.28	42%
Trade payable turnover ratio	O&M and other expenses	Average Trade payables	7.39	3.92	89%
Net Profit Ratio (%)	Profit for the year after tax	Revenue from operations	18%	15%	20%
Return on Capital Employed (%)	Profit before tax + Finance cost	Total Equity+Long and Short term borrowings+Deferred Tax Liability	18%	16%	11%

Explanation for Significant Change or more than 25% on ratio analysis

Current Ratio : Decreased due to increase in current liability as compared to previous year.

Debt Service Coverage Ratio : Improved due to increase in the profit before tax on account of increase in revenue from operations and reduction of finance cost due to servicing of dues to lenders as compared to previous year

Trade payable turnover ratio : Improved due to reduction in trade payables as compared to previous year on account payments to vendors.

Note 38

Previous year figures have been re-grouped / re-classified, to conform to current period's classification in order to comply with the requirement of the amended Schedule III to the Companies Act, 2013 effective April 1, 2021.

(a) Security deposits, Income Tax assets and Performance security regrouped under 'Non-Current financial assets - Others' (Note 4) which were earlier part of 'Non-Current financial assets - Loans' (Note 5).

(b) Current maturities of long-term borrowings regrouped under 'Current Financial Borrowings' (Note 18) which were earlier part of 'Other financial liabilities' (Note 20). The above reclassification is accordingly considered in the Statement of Cash Flow.

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

CA Chetan R. Sapre
Partner
Membership No: 116952
Place : Mumbai
Date : 28 May 2022



For and on behalf of the Board of Directors of
MEP Infrastructure Private Limited
CIN : U45203MH2010PTC199329

Sudha Mhaikar
Director
DIN : 00707501
Place : Mumbai
Date : 28 May 2022



Anuya Mhaikar
Director
DIN : 00707650

