



**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF  
MEP SANJOSE TALAJA MAHUVA ROAD PVT LTD**

**Report on the Standalone Ind AS Financial Statements**

**Opinion**

We have audited the accompanying standalone financial statements of **MEP SANJOSE TALAJA MAHUVA ROAD PVT LTD** ("the Company"), which comprise the Balance Sheet as at **31<sup>st</sup> March 2022**, the Statement of Profit and Loss (Including Other Comprehensive Income), the Statement of changes in Equity and Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013("the Act") in the manner so required and give a true and fair view in conformity with the 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 **31<sup>st</sup> March, 2022** and its **Loss**, total comprehensive Income, changes in equity and its cash flows for the year ended on that date.

**Basis for Opinion**

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

**Emphasis of Matter**

We draw attention to the Note No. 35 of the financial statements, where it is mentioned that the National Highway Authority of India (NHAI) issued termination notice to MEP Sanjose Talaja Mahuva Pvt. Ltd on 17th February 2021. The said notice was challenged by the Company vide writ petition before the division bench of Hon'ble High Court of New Delhi. The Hon'ble High Court, vide its Order dated 25th May 2021, has directed NHAI to resolve the issues between both the parties under Conciliation. The Concessionaire has submitted their Statement of Claims to the Conciliation Committee of Independent Experts on 11.10.2021.

Fourth Meeting with Conciliation committee of Independent Experts was scheduled on 04th May, 2022. However, the same was suspended and new date of next meeting not yet communicated.

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





### **Information Other than the 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 the information included in the Board's Report including Annexures to Board's Report, Corporate Governance and such other disclosures related 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 identified above when it becomes available 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 communicate the matter to those charges with governance as required under SA 720 'The Auditor's responsibilities Relating to other Information'.

We have nothing to report in this regard.

### **Management's Responsibility for the standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

### **Auditor's responsibilities for the audit of Standalone Ind AS Financial Statements**

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





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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial control 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.





### Report on other Legal and Regulatory Requirements

1. As required by section 143(3) of the Act, based on our audit 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 it appears from our examination of those books.
- c) The Balance sheet, 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 Indian Accounting Standards specified under Section 133 of the Act.
- e) On the basis of written representations received from the directors as on 31 March, 2022, taken on record by the Board of Directors, none of the directors are disqualified as on 31 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, the company is exempted vide Notification No. G.S.R. 583(E) serial no. 5, dated 13th June 2017 to report under section 143(3)(i). Hence, our report does not include any opinion on the same.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the company to its directors during the year is in accordance with the provisions of section 197 of the Act, as amended.

- h) With respect to the other matters 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 has disclosed the impact of pending litigations on its financial position in its Standalone Ind AS Financial Statements – Refer Note No. 28
  - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on any long-term contracts including derivatives contracts.
  - iii. There were 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 (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity (“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 (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (c) Based on the audit procedures that have been 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 (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. The Company has not declared any dividend during the year and hence reporting under this clause is not applicable to the Company.

2. As required by the Companies (Auditor’s Report) Order, 2020 (“the Order”) issued by the Central Government in terms of Section 143(11) of the Act, we give in “Annexure A” a statement on the matters specified in paragraphs 3 and 4 of the Order.

**For Gokhale & Sathe**

**Chartered Accountants**

**Firm Reg. No.: 103264W**



**Atul A. Kale**

**Partner**

**Membership No.: 109947**

**Place: Mumbai**

**Date: 23<sup>rd</sup> May, 2022**

**UDIN No.: 22109947AMXZKM5712**



**MEP SANJOSE TALAJA MAHUVA ROAD PVT LTD**

FINANCIAL YEAR ENDED MARCH 31st, 2022

ANNEXURE A

In the Annexure, as required by the Companies (Auditor's Report) Order, 2020 issued by the Central Government in terms of section 143(11) of the Companies Act 2013, on the basis of checks, as we considered appropriate, we report on the matters specified in paragraph 3 and 4 of the said order to the extent applicable to the company.

To the best of our information and according to the explanations provided to us by the Company and the books of accounts and records examined by us in the normal course of audit, we state that:

- i) In respect of the Company's Property, Plant & Equipment and Intangible Assets:
  - a) (A) The company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment for the year under audit in the soft (Computerized) form.
  - (B) The company has maintained proper records showing full particulars of intangible assets.
  - b) We have been informed that the physical verification of Property, Plant and Equipment was carried out by the management during the year, which in our opinion is reasonable having regard to the nature of the assets. We have been informed that no material discrepancy was noted on such verification.
  - c) No immovable properties are held by the company. Hence, the clause is not applicable.
  - d) The Company has not revalued its Property, Plant and Equipment and intangible assets during the year.
  - e) The company does not hold any immovable property and hence no proceedings have been initiated during the year or are pending against the company as at 31<sup>st</sup> March, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and the rules made thereunder.
- ii)
  - a) The Company does not have any inventory and hence reporting under clause 3(ii)(a) of the Order is not applicable.
  - b) The Company has not been sanctioned working capital limits in excess of ₹5 crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.





iii) The company has not made investments in companies, firms, Limited Liability Partnerships, and not granted unsecured loans to other parties, during the year, in respect of which:

- a) The Company has not provided any loans or advances in the nature of loans or stood guarantee, or provided security to any other entity during the year, and hence reporting under clause 3(iii)(a) of the Order is not applicable.
- b) Since the company has not made investments and hence reporting under clause 3(iii)(b) of the Order is not applicable.
- c) Since the company has not granted loans, hence reporting under clause 3(iii)(c), clause 3(iii)(d), clause 3(iii)(e) & clause 3(iii)(f) of the Order is not applicable.

The Company has not provided any guarantee or security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties.

iv) The Company has granted advance of Rs. 4235.14 Lakhs as at 31<sup>st</sup> March, 2021 to its holding company M/s. MEP Infrastructure Developers Ltd.

v) During the year, the company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.

vi) The maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Hence, reporting under (vi) of the Order is not applicable to the company.

vii) a) The company has defaulted in depositing undisputed statutory dues including the Provident Fund, Employees State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Goods and Services Tax, duty of Excise, Value Added Tax, cess and any other statutory dues applicable to it.

Following are the details of undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material dues in arrears as at March 31, 2022 for a period of more than six months from the date they became payable.

Nature Of Payment	Basic Tax Amount	Interest payable thereon
TDS U/S. 194J	Rs.1,01,573	Rs.28,412
TDS U/S. 194A	Rs.25,06,738	Rs.6,60,192

\*Late fees payable if any has not been mentioned above.





- b) Details of statutory dues referred to in sub-clause a) above which have not been deposited as on March 31, 2022 on account of disputes, since all the dues are deposited this clause is not applicable to the company.
- viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix) a) The Company has not taken any loans or other borrowings from any lender. Hence reporting under clause 3(ix)(a) of the Order is not applicable.  
b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.  
c) The Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.  
d) On an overall examination of the standalone financial statements of the Company, the company has not raised any funds hence reporting under 3(ix)(d) of the Order is not applicable.  
e) On an overall examination of the standalone financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.  
f) The Company has not raised any loans during the year and hence reporting under clause 3(ix)(f) of the Order is not applicable.
- x) a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.  
b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.
- xi) a) According to the information and explanation given to us, no fraud by the company and no material fraud on the company has been noticed or reported during the year.  
b) No report under sub section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with Central Government, during the year and upto the date of this report.  
c) We have not received any whistle blower complaints by the company during the year.
- xii) The Company is not a chit fund or a Nidhi/ mutual benefit fund/ society and hence reporting under clause (xii) of the Order is not applicable.







- xiii) In our opinion, the Company is in compliance with sections 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the Ind AS Financial Statements as required by the applicable accounting standards.
- xiv) Commensurate with the size and nature of its business Internal audit is not applicable to the company hence reporting under this clause is not applicable.
- xv) In our opinion and according to the information and explanation given to us, during the year the company has not entered into non-cash transactions with the Directors or persons connected with the directors and hence the provisions of section 192 of the Companies Act, 2013 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.Hence reporting under clause 3(xvi)(a),(b) and (c) of the Order is not applicable.  
b) According to the information and explanation given to us, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- xvii) The Company has incurred cash losses (before exceptional items and tax) during the financial year covered by our audit and in the immediately preceding financial year. (Cash Losses for Current year ₹ 2975.27 Lakhs and for previous year ₹ 1346.74 Lakhs).
- xviii) There has not been any resignation of the statutory auditors of the Company during the year.
- xix) On the basis of the ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examinations of the evidence supporting the assumptions, also refer Note No. 35 to the financial statements, which causes us to believe that material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx) Corporate Social Responsibility (CSR) Clause is not applicable to the company, Accordingly, reporting under clause 3(xx)(a),(b) of the Order is not applicable for the year.





xxi) The reporting under clause (xxi) is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

**For Gokhale & Sathe**  
**Chartered Accountants**  
**Firm Reg. No.: 103264W**



**Atul A. Kale**  
**Partner**  
**Membership No.: 109947**

**Place: Mumbai**  
**Date: 23<sup>rd</sup> May, 2022**  
**UDIN No.: 22109947AMXZKM5712**

**MEP SANJOSE TALAJA MAHUVA ROAD PVT. LTD.**  
**Balance sheet as at 31 March 2022**

(Currency : Indian rupees in lakhs)

Particulars	Note	As at March 31, 2022	As at March 31, 2021
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, Plant & Equipment	3	1.78	483.65
Other Non-Current assets	4	1,009.10	1,443.00
Deferred Tax Assets		68.54	68.54
<b>Total Non-current assets</b>		<u>1,079.42</u>	<u>1,995.19</u>
<b>Current Assets</b>			
<b>Financial Assets</b>			
Trade and Other Receivables	5	397.47	391.22
Cash and Cash Equivalents	6	13.98	3.92
Loans	7	1.92	1.92
Other Current Financial Assets	8	4,994.70	7,975.29
Other Current Assets	9	25,417.21	25,417.01
<b>Total Current Assets</b>		<u>30,825.28</u>	<u>33,789.36</u>
<b>TOTAL ASSETS</b>		<u><u>31,904.70</u></u>	<u><u>35,784.55</u></u>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share Capital	10	6,490.00	6,490.00
Other Equity	11	(479.33)	2,495.94
<b>Total Equity</b>		<u>6,010.67</u>	<u>8,985.94</u>
<b>Non-Current Liabilities</b>			
Long term borrowings	12	20,240.93	17,802.64
Provisions	13	0.89	0.69
Deferred Tax Liabilities		1,567.10	1,567.10
<b>Total Non-Current Liabilities</b>		<u>21,808.92</u>	<u>19,370.43</u>
<b>Current liabilities</b>			
<b>Financial Liability</b>			
i Borrowings	14	84.00	4,770.18
ii Trade and other payables	15		
Total outstanding due to micro and small enterprises		56.59	56.34
Total outstanding due to creditors other than micro and small enterprises		129.76	130.03
Other Financial Liabilities	16	3,097.42	1,761.86
Other Current Liabilities	17	648.80	641.23
Current Tax liabilities ( net )		68.54	68.54
<b>Total Current liabilities</b>		<u>4,085.11</u>	<u>7,428.18</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><u>31,904.70</u></u>	<u><u>35,784.55</u></u>

Significant Accounting Policies

1-2

The accompanying Notes are an integral part of financial statements

3-37

As per our report of even date attached

For Gokhale & Sathe

Chartered accountants

Firm's registration number : 103264W

For and on behalf of the Board of Directors of  
 MEP SANJOSE TALAJA MAHUVA ROAD PVT. LTD.

CIN:U45309MH2016PTC282605

CA Atul Kale

Partner

Membership No: 109947

UDIN No. 22109947AMXZKM5712

Mumbai

Date : 23 May 2022



Uttam Pawar

Director

DIN : 03381300

Mumbai

Date : 23 May 2022

Satish Rugle

Director

DIN : 08213836



**MEP SANJOSE TALAJA MAHUVA ROAD PVT. LTD.**  
**Statement of Profit and Loss for the year ended 31 March 2022**

(Currency : Indian rupees in lakhs)

Particulars	Note	For the year ended March 31, 2022	For the year ended March 31, 2021
Revenue form Operation	18	-	1,064.42
Other Income	19	-	609.39
<b>Total Income</b>		-	1,673.81
<b>Expenses</b>			
Operating and Maintenance Expenses	20	-	83.42
Employee Benefits Expenses	21	5.21	52.80
Depreciation and Amortization Expenses	3	44.75	108.12
Finance Costs	22	2,387.30	2,543.83
Other Expenses	23	538.01	232.38
<b>Total Expenses</b>		<b>2,975.27</b>	<b>3,020.55</b>
Profit before tax		<b>(2,975.27)</b>	<b>(1,346.74)</b>
Tax expense		-	-
Current Tax		-	-
Deferred Tax	33	-	(95.10)
<u>Profit for the period</u>		<b>(2,975.27)</b>	<b>(1,441.84)</b>
Other Comprehensive Income			
<u>Items that will not be reclassified to profit or loss</u>			
Reameasurements of defined benefit plans		-	0.96
<b>Tax on Reameasurements of defined benefit plans</b>		-	<b>(0.28)</b>
<b>Items that will be reclassified to profit or loss</b>		-	-
Total of Other Comprehensive Income for the period, net of tax		-	0.68
<b>Total Comprehensive Income for the period</b>		<b>(2,975.27)</b>	<b>(1,441.16)</b>
Earnings per equity share			
Equity shares of par value Rs. 10 each			
Basic and Diluted earning per share (Rs.)	26	(4.58)	(2.22)

**Significant Accounting Policies**

The accompanying Notes are an integral part of financial statements

As per our report of even date attached

For Gokhale & Sathe  
Chartered Accountants

Firm's registration number : 103264W

For and on behalf of the Board of Directors of  
MEP SANJOSE TALAJA MAHUVA ROAD PVT. LTD.  
CIN:U45309MH2016PTC282605

*A. K. Kale*

CA Atul Kale

Partner

Membership No: 109947

UDIN No. 22109947AMXZKM5712

Mumbai

Date : 23 May 2022



*Uttam Pawar*

Uttam Pawar

Director

DIN : 03381300

Mumbai

Date : 23 May 2022

*Satish Rugle*

Satish Rugle

Director

DIN : 08213836



**MEP SANJOSE TALAJA MAHUVA ROAD PVT. LTD.**  
Cash Flow Statement for the year ended March 31, 2022

(Currency : Indian rupees in lakhs) -

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>Cash Flow from Operating Activities :</b>		
(Loss)/Profit before exceptional Items and tax	(2,975.27)	(1,346.74)
<b>Adjustment for:</b>		
Depreciation and amortization expenses	44.75	108.12
Finance cost	2,387.30	2,543.83
Interest income	-	(415.98)
Liabilities/provisions no longer required written back / assets written off	150.00	135.86
Reameasurements of defined benefit plans	-	0.96
	(393.22)	1,026.05
<b>Operating profit before working capital changes</b>		
<b>Adjustments for changes in working capital:</b>		
(Increase)/decrease in trade & other receivables	(6.25)	-
(Increase)/decrease in current financial assets	2,980.59	(437.85)
(Increase)/decrease in Other current assets	(0.20)	(700.33)
Increase/(decrease) in trade & other payables	(0.05)	2.53
Increase/(decrease) in provisions	0.20	(0.54)
Increase/(decrease) in Other financial liability	(5.50)	(225.44)
Increase/(decrease) in Other Current Liability	7.57	(4,310.65)
<b>Net cash from operating activities</b>	2,583.13	(4,646.23)
Income tax paid	7.02	207.79
<b>Net cash from operating activities ( a )</b>	2,590.15	(4,438.44)
<b>Cash Flow from Investing Activities:</b>		
Interest received	-	415.98
<b>Net cash (used in)/ generated from investing activities ( b )</b>	-	415.98
<b>Cash flow from Financing activities</b>		
(Increase)/decrease in Other Non current Assets	426.88	1.04
Proceeds from Borrowings	-	8,606.37
Repayment of Borrowings	(2,420.99)	(85.96)
Proceeds from share application money	-	(1,981.08)
Interest Paid	(586.00)	(2,520.83)
<b>Net cash (used in)/ generated from financing activities ( c )</b>	(2,580.09)	4,019.54
<b>Net Increase/ (Decrease) in Cash and Bank Balances ( a+ b+ c )</b>	10.06	(2.92)
Add: Cash and cash equivalents at the beggong of the year	3.92	6.84
<b>Cash and cash equivalents at end of the year</b>	13.98	3.92
<b>Cash and Cash equivalent as per above comprises of the following</b>		
Cash and Cash equivalents (Refer Note 6 )	13.98	3.92
<b>Balance as per statement of cash flows</b>	13.98	3.92

1. The above cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard ( Ind AS 7) of 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

For Gokhale & Sathe  
Chartered Accountants  
Firm's registration number : 103264W

For and on behalf of the Board of Directors of  
MEP SANJOSE TALAJA MAHUVA ROAD PVT. LTD.  
CIN:U45309MH2016PTC282605

*Atul Kale*  
CA Atul Kale

Partner  
Membership No: 109947  
UDIN No. 22109947AMXZKM5712  
Mumbai  
Date : 23 May 2022



*Uttam Pawar*

Uttam Pawar  
Director  
DIN : 03381300

Mumbai  
Date : 23 May 2022

*Satish Ragle*

Satish Ragle  
Director  
DIN : 08213836



**MEP SANJOSE TALAJA MAHUVA ROAD PVT. LTD.**  
**Notes to Financial Statements for the year ended March 31, 2022**

(Currency : Indian rupees in lakhs)

**Statement of Changes in Equity**

**A. Equity Share Capital**

**Particulars**

**Balance as at March 31, 2021**

**Amount**  
**6,490.00**

Changes in equity share capital during the year

**Balance as at March 31, 2022**

**6,490.00**

**B. Other Equity**

**Reserves and Surplus**

**Particulars**

**Retained earnings**

**Total**

**Balance at March 31, 2021**

**2,495.94**

**2,495.94**

Other comprehensive income

Profit/(Loss) for the year

**(2,975.27)**

**(2,975.27)**

Share Application money pending for allotment

**Balance at March 31, 2022**

**(479.33)**

**(479.33)**

The above statement of changes in equity should be read in conjunction with the accompanying notes.

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

For Gokhale & Sathe

Chartered Accountants

Firm's Registration No: 103264W

*Atul Kale*

CA Atul Kale

Partner

Membership No: 109947

UDIN No. 22109947AMXZKM5712

Mumbai

Date : 23 May 2022



For and on behalf of the Board of Directors of  
**MEP SANJOSE TALAJA MAHUVA ROAD PVT. LTD.**

CIN:U45309MH2016PTC282605

*Uttam Pawar*

Uttam Pawar

Director

DIN : 03381300

Mumbai

Date : 23 May 2022

*Satish Rugle*

Satish Rugle

Director

DIN : 08213836



**MEP SANJOSE TALAJA MAHUVA ROAD PVT. LTD.**  
**Notes to Financial Statements for the year ended March 31, 2022**

(Currency : Indian rupees in lakhs)

**1 Corporate information**

MEP Sanjose Talaja Mahuva Road Pvt. Ltd. having its registered office at B1-406, boomerang, Chandivali Farm Road, Near Chandivali Studio, Andheri (E), Mumbai-400072, was incorporated on June 20, 2016 vide certificate of incorporation No U45309MH2016PTC282605 issued by the Registrar of Companies, Maharashtra, Mumbai. The Company is into the business of onstruction of roads.

**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 as amended and other relevant provisions of the Act.

**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 (standalone) balance sheet and (standalone) statement of profit and loss. The actual amounts realised may differ from these estimates.

Estimates and assumptions are required in particular for:

a) **Property, plant and equipment :**

Determination of the estimated useful lives of tangible assets and the assessment as to which components of the cost may be 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.

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.



**MEP SANJOSE TALAJA MAHUVA ROAD PVT. LTD.**  
**Notes to Financial Statements for the year ended March 31, 2022**

(Currency : Indian rupees in lakhs)

**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.





**MEP SANJOSE TALAJA MAHUA ROAD PVT. LTD.**  
**Notes to Financial Statements for the year ended March 31, 2022**

(Currency : Indian rupees in lakhs)

**2.5 Significant accounting policies**

**i) Tangible Assets**

**a) Recognition and measurement**

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

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

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

**b) Depreciation / amortization**

Depreciation is provided on a pro-rata basis on the written down value method over the estimated useful life of the assets. Depreciation on addition/deletion of fixed assets during the year is provided on pro-rata basis from / to the date of addition/deletion. Fixed assets costing up to ₹ 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

**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) 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.

**iii) Investment in associates, joint venture and subsidiaries**

**a) Recognition & Measurement**

The Company has accounted for its investment in subsidiaries and associates, joint venture at cost.

**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.



**MEP SANJOSE TALAJA MAHUVA ROAD PVT. LTD.**  
**Notes to Financial Statements for the year ended March 31, 2022**

(Currency : Indian rupees in lakhs)

**Debt instruments at amortised cost**

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

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

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

**Debt instruments at FVOCI**

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

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

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

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

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

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

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

**Equity investments**

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

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

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

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

**Derecognition**

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

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

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

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



**MEP SANJOSE TALAJA MAHUVA ROAD PVT. LTD.**  
**Notes to Financial Statements for the year ended March 31, 2022**

(Currency : Indian rupees in lakhs)

**Impairment of financial assets**

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

**B Financial liabilities**

Financial instruments with a contractual obligation to deliver cash or another financial 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.

**ii) Initial recognition and measurement**

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

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

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

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

**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) Leases**

Leases of property, plant and equipment where the group, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the group as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease.

**vi) Trade Receivables**

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

**vii) Cash and cash equivalents**

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

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

**viii) Provisions, contingent liabilities and contingent assets**

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

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

**ix) Revenue recognition**

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

**Revenue from Construction Contracts**

Contract revenue and contract cost associated with the construction of road are recognised as revenue and expenses respectively by reference to the stage of completion of the projects at the balance sheet date. The stage of completion of project is determined by the proportion that contract cost incurred for work performed up to the balance sheet date bear to the estimated total contract costs. Where the outcome of the construction cannot be estimated reliably, revenue is recognised to the extent of the construction costs incurred if it is probable that they will be recoverable.



**MEP SANJOSE TALAJA MAHUVA ROAD PVT. LTD.**  
**Notes to Financial Statements for the year ended March 31, 2022**

(Currency : Indian rupees in lakhs)

If total cost is estimated to exceed total contract revenue, the Company provides for foreseeable loss. Contract revenue earned in excess of billing has been reflected as unbilled revenue and billing in excess of contract revenue has been reflected as unearned revenue.



**MEP SANJOSE TALAJA MAHUVA ROAD PVT. LTD.**  
**Notes to Financial Statements for the year ended March 31, 2022**

(Currency : Indian rupees in lakhs)

**Road repair and maintenance**

Revenue from road repair and maintenance work is recognised upon completion of services as per contractual terms.

**Other income**

- Interest income is recognized on a time proportion basis taking into account the amount outstanding and the effective rate of interest
- Dividend income is recognised in profit or loss on the date on which the Company's right to receive payment is established.

**x) Retirement and other employee benefits**

**a) Short term employee benefits**

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

**b) Post Employment Employee Benefits**

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

**Defined contribution plans**

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

**Defined benefit plans**

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

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

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

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

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

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

**xi) Income taxes**

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

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

Deferred tax assets and liabilities are offset only if:

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

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

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



**MEP SANJOSE TALAJA MAHUVA ROAD PVT. LTD.**  
**Notes to Financial Statements for the year ended March 31, 2022**

(Currency : Indian rupees in lakhs)

**xii) Earnings Per Share**

**a) Basic earnings per share**

Basic earnings per share is calculated by dividing:

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

**b) Diluted earnings per share**

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

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

**xiii) 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 SANJOSE TALAJA MAHUVA ROAD PVT. LTD.**  
Notes to financial statements as at 31 March 2022

(Currency : Indian rupees in lakhs)

**Note 3 - Property, Plant and Equipment - As at March 31, 2022**

Particulars	Gross carrying value			Accumulated depreciation Charges for the year	As at 31 March 2022	As at April 01, 2021	Net Block	
	As at April 01, 2021	Additions/ Adjustments	Deductions/ Adjustments				As at 31 March 2022	As at 31, 2021
<b>Tangible Assets</b>								
Furniture & Fixture	1.05	-	-	0.07	1.05	0.78	0.85	0.27
Computer Servers & Networks	14.82	-	-	1.01	14.82	12.24	13.25	2.58
Computer Systems	4.72	-	-	0.04	4.72	4.65	4.69	0.06
Plant & Machinery	948.55	-	948.55	43.63	-	467.81	-	480.74
	969.14	-	948.55	44.75	20.59	485.48	18.80	1.78
				511.44				483.65

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

Particulars	Gross carrying value			Accumulated depreciation Charges for the year	As at 31 March 2021	As at April 01, 2020	Net Block	
	As at April 01, 2020	Additions/ Adjustments	Deductions/ Adjustments				As at 31 March 2021	As at 31, 2020
<b>Tangible Assets</b>								
Furniture & Fixture	1.05	-	-	0.10	1.05	0.68	0.78	0.37
Computer Servers & Networks	14.82	-	-	1.67	14.82	10.58	12.24	4.24
Computer Systems	4.72	-	-	0.11	4.72	4.54	4.65	0.17
Plant & Machinery	948.55	-	-	106.25	948.55	361.56	467.81	586.99
	969.14	-	-	108.12	969.14	377.36	485.48	591.77



**MEP SANJOSE TALAJA MAHUVA ROAD PVT. LTD.**

Notes to financial statements as at 31 March 2022

(Currency : Indian rupees in lakhs)

**4. Other Non-Current Assets****Particulars****To related parties**Balance with Statutory Authorities  
Income tax assets

<b>As at March 31, 2022</b>	<b>As at 31 March 2021</b>
970.54	1,397.42
38.56	45.58
<b>1,009.10</b>	<b>1,443.00</b>

**5. Trade and Other Receivables****Particulars**

Trade Receivable\*

<b>As at March 31, 2022</b>	<b>As at 31 March 2021</b>
397.47	391.22
<b>397.47</b>	<b>391.22</b>

**6. Cash and Cash Equivalents****Particulars**Current Accounts  
Cash & cheques on hand

<b>As at March 31, 2022</b>	<b>As at 31 March 2021</b>
13.78	3.72
0.20	0.20
<b>13.98</b>	<b>3.92</b>

**7. Loans****Particulars**

Deposits Others

<b>As at March 31, 2022</b>	<b>As at 31 March 2021</b>
1.92	1.92
<b>1.92</b>	<b>1.92</b>

**8. Other Current Financial Assets****Particulars****To related parties**

Mobilisation Advance

**Other receivable**

- receivable from authority (Refer Note 8 (a))

<b>As at March 31, 2022</b>	<b>As at 31 March 2021</b>
4,235.14	7,215.73
759.56	759.56
<b>4,994.70</b>	<b>7,975.29</b>

**9. Other Current Assets****Particulars****To parties other than related parties**

Contract Assets

Loan to Employee

<b>As at March 31, 2022</b>	<b>As at 31 March 2021</b>
25,417.01	25,417.01
0.20	-
<b>25,417.21</b>	<b>25,417.01</b>





**MEP SANJOSE TALAJA MAHUVA ROAD PVT. LTD.**  
Notes to financial statements as at 31 March 2022

(Currency : Indian rupees in lakhs)

**Note 10**  
**Equity Share Capital**  
**Particulars**

	As at March 31, 2022	As at 31 March 2021
<b>[a] Authorised share capital</b>		
7,00,00,000 (March 31, 2020: 7,00,00,000) equity shares of the par value of Rs 10 each	7,000.00	7,000.00
<b>[b] Issued</b>	7,000.00	7,000.00
6,49,00,000 (March 31, 2021: 6,49,00,000) equity shares of the par value of Rs 10 each	6,490.00	6,490.00
<b>[c] Subscribed and paid up</b>	6,490.00	6,490.00
6,49,00,000 (March 31, 2021: 6,49,00,000) equity shares of the par value of Rs 10 each	6,490.00	6,490.00
	<u>6,490.00</u>	<u>6,490.00</u>

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

	As at March 31, 2022	As at March 31, 2022	As at 31 March 2021	As at 31 March 2021
	No. of Shares	Amount	No. of Shares	Amount
<b>Equity :</b>				
Shares outstanding at the beginning of the year	6,49,00,000	6,490.00	6,49,00,000	6,490.00
Issued during the year	-	-	-	-
Shares outstanding at the end of the year	<u>6,49,00,000</u>	<u>6,490.00</u>	<u>6,49,00,000</u>	<u>6,490.00</u>

**[e] Shares held by its holding company:**  
Equity shares of Rs 10 each fully paid held by:

	As at March 31, 2022	As at 31 March 2021	As at 31 March 2021
	Number of Shares	Amount	Amount
MEP Infrastructure Developers Limited (Holding Company)	3,89,36,000	3,893.60	3,893.60

**[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 31 March 2021	
	Number of Shares	Percentage	Number of Shares	Percentage
MEP Infrastructure Developers Limited (Holding Company)	3,89,36,000	60%	3,89,36,000	60%
Sanjose Infrastructure & Construction Pvt. Ltd	2,59,64,000	40%	2,59,64,000	40%
	<u>6,49,00,000</u>	<u>100%</u>	<u>6,49,00,000</u>	<u>100%</u>

**[g] Details of promoters holding in the Company:**

Name of the shareholder	As at March 31, 2022		As at 31 March 2021	
	Number of Shares	Percentage	Number of Shares	Percentage
MEP Infrastructure Developers Limited (Holding Company)	3,89,36,000	60%	3,89,36,000	60%
Sanjose Infrastructure & Construction Pvt. Ltd	2,59,64,000	40%	2,59,64,000	40%
	<u>6,49,00,000</u>	<u>100%</u>	<u>6,49,00,000</u>	<u>100%</u>



**MEP SANJOSE TALAJA MAHUVA ROAD PVT. LTD.**  
**Notes to financial statements as at 31 March 2022**

(Currency : Indian rupees in lakhs)

**Note 11 Other Equity**

**(i) Retained earnings**

Particulars	As at	
	March 31, 2022	As at 31 March 2021
(i) Balance as at the beginning of the year	2,495.94	3,937.10
Add : Profit/(Loss) for the year	(2,975.27)	(1,441.84)
Other comprehensive income	-	0.68
(ii) Equity Contribution	-	-
	<u>(479.33)</u>	<u>2,495.94</u>



**MEP SANJOSE TALAJA MAHUVA ROAD PVT. LTD.**

Notes to financial statements as at 31 March 2022

(Currency : Indian rupees in lakhs)

**12. Financial Liabilities - Borrowings**

Particulars	As at	
	March 31, 2022	As at 31 March 2021
<b>Loans</b>		
-Banks	19,668.01	17,450.86
-Financial Institution	572.92	351.78
<b>Total</b>	<b>20,240.93</b>	<b>17,802.64</b>

**I) Term loans - from Banks**

Term loan from bank amounting to Rs. 20,101.52 Lakhs (March 31,2021: Rs.17,884.37 lakhs ) is secured by way of following details:

a) A first charge by way of mortgage of the entire immovable properties of the Company, save and except Project Assets ( as defined in the Concession Agreement).

b) A first charge by way of hypothecation of entire movable assets of the Company.

c) A first charge over all accounts of the company including without limitation, the Escrow Account and Debt Service Reserve Account to be established by the Company and other account to be created by Company.

d) A first charge on all intangibles assets.

e) 51% Pledge of Shares by Sponsors/Promoters ( Mep Infrastructure Developers Limited)

f) Corporate Guarantee by Mep Infrastructure Developers Limited up to COD for securing debt obligation

g) Personal Guarantee by Director of Holding company ( Mep Infrastructure Developers Limited) Mr. J D Mhaiskar.

The term loan from consortium is repayable in 28 structured half yearly instalments commencing from 9 months from the schedule.

The term loan from the consortium carries an interest rate is 10.50% p.a to 11.25% p.a.

**II) Secured Loans - Equipment Loan**

Commercial equipment loans of Rs.572.92 Lakhs (March 31,2021: Rs. 802.41 Lakhs) are from a financial institution and carry an interest rate of 8.80% p.a. .The loans are repayable in 60 monthly instalments along with interest, from the date of disbursement. The loans are secured by the way of hypothecation of the respective equipments. The loans are also secured by corporate guarantee given by MEP Infrastructure Developers Limited, the Holding Company and personal Guarantee by Mr. Jayant Mhaiskar, director of the Company.

**13. Long-Term Provisions**

Particulars	As at	
	March 31, 2022	As at 31 March 2021
Employee Benefits		
- Gratuity	0.89	0.69
<b>Total</b>	<b>0.89</b>	<b>0.69</b>

**14. Current Financial Liabilities - Borrowings**

Particulars	As at	
	March 31, 2022	As at 31 March 2021
<b>Secured Loans</b>		
From Banks	-	2,271.04
<b>Unsecured Loans</b>		
From Related Party*	84.00	2,499.14
<b>Total</b>	<b>84.00</b>	<b>4,770.18</b>

**\*Loan from related parties**

Unsecured loan from MEP Infrastructure Developers Limited of Rs 84.00 lakhs (31 March 2021 : Rs 2,499.14 lakhs) is repayable on demand.



**MEP SANJOSE TALAJA MAHUVA ROAD PVT. LTD.**

Notes to financial statements as at 31 March 2022

(Currency : Indian rupees in lakhs)

**15. Financial Liabilities - Trade and Other Payables**

Particulars	As at	
	March 31, 2022	As at 31 March 2021
<b>Trade payables</b>		
- dues of micro, small and medium enterprises**	56.59	56.34
- other creditors*	129.76	130.03
<b>Total</b>	<b>186.35</b>	<b>186.38</b>

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

**\*\*Disclosure for Micro, Small and Medium Enterprises**

On the basis of the information and records available with the management there are Rs.56.59 lakh (31 March 2021 : 53.34 lakhs) is payable to Micro, Small and Medium Enterprises. Further, disclosures under the Micro, Small and Medium Enterprises Development Act, 2006 are given below.

Particulars	As at	
	March 31, 2022	As at 31 March 2021
Principal amount remaining unpaid to any supplier.	56.59	56.34
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.	-	-
	<b>56.59</b>	<b>56.34</b>

**Ageing of Trade Payables for micro, small and medium enterprises**

	As at	
	March 31, 2022	31 March 2021
Less than 1 year	0.23	4.55
1-2 years	4.55	3.85
2-3 years	3.85	47.94
More than 3 years	47.96	-
<b>Total</b>	<b>56.59</b>	<b>56.34</b>

**Ageing of other Trade Payables**

	As at	
	March 31, 2022	31 March 2021
Less than 1 year	4.38	27.39
1-2 years	25.72	17.58
2-3 years	17.78	85.06
More than 3 years	81.88	-
<b>Total</b>	<b>129.76</b>	<b>130.03</b>



**MEP SANJOSE TALAJA MAHUVA ROAD PVT. LTD.**  
**Notes to financial statements as at 31 March 2022**

(Currency : Indian rupees in lakhs)

**16. Current Financial Liability-Others**

Particulars	As at	
	March 31, 2022	As at 31 March 2021
Interest accrued and due on borrowings	2,482.37	690.68
Interest accrued and not due - others	217.89	217.89
Current Maturity of Long term borrowings	-	450.63
Employee benefit payable	16.69	34.24
Other liabilities		
-Related Party	202.83	193.82
-Others	177.64	174.60
<b>Total</b>	<b>3,097.42</b>	<b>1,761.86</b>

**17. Other Current Liabilities**

Particulars	As at	
	March 31, 2022	As at 31 March 2021
Statutory dues	26.31	18.74
Mobilisation Advance	622.49	622.49
<b>Total</b>	<b>648.80</b>	<b>641.23</b>



**MEP SANJOSE TALAJA MAHUVA ROAD PVT. LTD.**  
**Notes to Financial Statements for the period ended 31 March, 2022**

(Currency : Indian rupees in lakhs)

**18. Revenue form Operations**

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Construction revenue	-	304.86
Utility Shifting Income	-	-
Claims form Authority	-	759.56
<b>Total</b>	<b>-</b>	<b>1,064.42</b>

**19. Other Income**

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest income	-	402.51
Interest on refund of income tax	-	13.47
Other Income	-	193.41
<b>Total</b>	<b>-</b>	<b>609.39</b>

**20. Operating and Maintenance Expenses**

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Construction Expenses	-	83.42
Other Site Operational Expenses	-	-
<b>Total</b>	<b>-</b>	<b>83.42</b>

**21. Employee Benefit Expense**

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Salaries and Wages	4.58	49.06
Bonus ( Salary)	0.16	1.47
Gratuity Expenses (Refer Note 29)	0.20	0.70
Contribution to Provident and Other Funds (Refer Note 29)	0.27	1.57
<b>Total</b>	<b>5.21</b>	<b>52.80</b>



**MEP SANJOSE TALAJA MAHUVA ROAD PVT. LTD.**  
**Notes to Financial Statements for the period ended 31 March, 2022**

(Currency : Indian rupees in lakhs)

**22. Finance Costs**

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>Interest on Loan</b>		
- Banks	1,227.51	1,017.03
- Financial Institution	1,153.89	1,093.77
- Mob Advance	-	121.66
<b>Other Borrowing Cost</b>		
Bank guarantee and commission	-	260.56
Others	5.90	50.80
<b>Total</b>	<b>2,387.30</b>	<b>2,543.83</b>

**23. Other Expenses**

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Rates and taxes	1.39	5.78
IE Fees	-	7.50
Legal and professional Fees	7.34	38.55
Travelling and conveyance	0.62	1.04
Auditors remuneration (Refer Note 27)	1.04	2.23
Insurance	-9.02	41.33
Miscellaneous expenses	536.64	135.95
<b>Total</b>	<b>538.01</b>	<b>232.38</b>



**MEP SANJOSE TALAJA MAHUVA ROAD PVT. LTD.**  
**Notes to Financial Statements for the period ended 31 March, 2022**

(Currency : Indian rupees in lakhs)

**24. Financial instruments – Fair values and risk management**

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

**A. Accounting classification and fair values**

As at 31st March 2022	Carrying amount				Fair value			Total
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	
<b>Financial assets</b>								
Cash and cash equivalents	-	-	13.98	13.98	-	-	-	-
Trade and other receivables	-	-	397.47	397.47	-	-	-	-
Other Non Current Financial Assets	-	-	1,009.10	1,009.10	-	-	-	-
Loans	-	-	1.92	1.92	-	-	-	-
	-	-	1,422.47	1,422.47	-	-	-	-
<b>Financial liabilities</b>								
Long term borrowings	-	-	20,240.93	20,240.93	-	-	-	-
Short term borrowings	-	-	84.00	84.00	-	-	-	-
Trade and other payables	-	-	186.35	186.35	-	-	-	-
Other Current financial liabilities	-	-	3,097.42	3,097.42	-	-	-	-
	-	-	23,608.70	23,608.70	-	-	-	-

As at 31st March 2021	Carrying amount				Fair value			Total
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	
<b>Financial assets</b>								
Cash and cash equivalents	-	-	3.92	3.92	-	-	-	-
Trade and other receivables	-	-	391.22	391.22	-	-	-	-
Other Non Current Financial Assets	-	-	1,443.00	1,443.00	-	-	-	-
Loans	-	-	1.92	1.92	-	-	-	-
	-	-	1,840.06	1,840.06	-	-	-	-
<b>Financial liabilities</b>								
Long term borrowings	-	-	17,802.64	17,802.64	-	-	-	-
Short term borrowings	-	-	5,220.80	5,220.80	-	-	-	-
Trade and other payables	-	-	186.38	186.38	-	-	-	-
Other Current financial liabilities	-	-	1,761.86	1,761.86	-	-	-	-
	-	-	24,971.68	24,971.68	-	-	-	-

**Note 25**

**Financial risk management**

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

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

**i. Risk management framework**

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors are responsible for developing and monitoring the Company's risk management policies.

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.

The board of directors oversees how management monitors compliance with the company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.





**MEP SANJOSE TALAJA MAHUVA ROAD PVT. LTD.**  
Notes to Financial Statements for the period ended 31 March, 2022

(Currency : Indian rupees in lakhs)

**ii. Credit risk**

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

**Credit Risk Disclosure**

As at March 31, 2022

Particulars	Not overdue	Not overdue	Less than 6 months	6 Months - 1 year	1-2 year	2-3 years	More than 3 years	Total
Debtors	-	-	6.25	-	-	391.22	-	397.47

As at March 31, 2021

Particulars	Not overdue	Not overdue	Less than 6 months	6 Months - 1 year	1-2 year	2-3 years	More than 3 years	Total
Debtors	-	-	-	-	391.22	-	-	391.22

**Cash equivalents & Other bank balances/deposits**

The Company held cash equivalents and other bank balances/deposits of Rs. 13.99 lakhs at March 31, 2022 (March 31, 2021: Rs. 3.92 lakhs). The cash equivalents and other bank balances/deposits are held with bank counterparties with good credit ratings.



**MEP SANJOSE TALAJA MAHUVA ROAD PVT. LTD.**  
**Notes to Financial Statements for the period ended 31 March, 2022**

(Currency : Indian rupees in lakhs)

**Financial instruments – Fair values and risk management (continued)**

**iii. Liquidity risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

**Exposure to liquidity risk**

March 31, 2022	Carrying Amount	Contractual cash flows				More than 5 years
		Total	0-1 year	1-2 years	2-5 years	
<b>Non-derivative financial liabilities</b>						
Borrowings and Interest thereon	20,240.93	22,723.30	22,723.30	-	-	-
Trade and other payables	186.35	186.35	186.35	-	-	-
Other financial Liabilities Payables	3,097.42	3,097.42	3,097.42	-	-	-
	<b>23,524.70</b>	<b>26,007.07</b>	<b>26,007.07</b>	-	-	-

March 31, 2021	Carrying Amount	Contractual cash flows				More than 5 years
		Total	0-1 year	1-2 years	2-5 years	
<b>Non-derivative financial liabilities</b>						
Borrowings and Interest thereon	18,253.27	18,943.95	18,943.95	-	-	-
Trade and other payables	186.38	186.38	186.38	-	-	-
Other financial Liabilities Payables	1,761.86	1,761.86	1,761.86	-	-	-
	<b>20,201.50</b>	<b>20,892.18</b>	<b>20,892.18</b>	-	-	-



**MEP SANJOSE TALAJA MAHUVA ROAD PVT. LTD.**  
**Notes to Financial Statements for the period ended 31 March, 2022**

(Currency : Indian rupees in lakhs)

**Financial instruments – Fair values and risk management (continued)**

**iv. Market risk**

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

**• 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 SANJOSE TALAJA MAHUVA ROAD PVT. LTD.**  
**Notes to Financial Statements for the period ended 31 March, 2022**

(Currency : Indian rupees in lakhs)

**Financial instruments – Fair values and risk management (continued)**

**v. Interest rate risk**

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

**Exposure to interest rate risk**

Company's interest rate risk arises from borrowings and finance lease obligations. Borrowings issued at fixed rates and finance lease obligations exposes to fair value 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.

	March 31, 2022	March 31, 2021
<b>Fixed-rate instruments</b>		
Financial assets	-	-
Bank Deposits with maturity beyond 12 months - non - current	-	-
Financial liabilities	-	-
<b>Variable-rate instruments</b>		
Financial assets	-	-
Financial liabilities	20,324.93	23,023.44
	<u>20,324.93</u>	<u>23,023.44</u>
<b>Total</b>	<u>20,324.93</u>	<u>23,023.44</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) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

	Profit or loss	
	100 bp increase	100 bp decrease
<b>March 31, 2022</b>		
Variable-rate instruments	203.25	(203.25)
<b>Cash flow sensitivity (net)</b>	<u>203.25</u>	<u>(203.25)</u>
<b>March 31, 2021</b>		
Variable-rate instruments	230.23	(230.23)
<b>Cash flow sensitivity (net)</b>	<u>230.23</u>	<u>(230.23)</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.



**MEP SANJOSE TALAJA MAHUVA ROAD PVT. LTD.**  
**Notes to Financial Statements for the period ended 31 March, 2022**

(Currency : Indian rupees in lakhs)

**vi. Capital Management**

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

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

	As at March 31, 2022	As at March 31, 2021
Non-Current Borrowings	20,324.93	22,572.82
Current Borrowings	-	450.63
<b>Gross Debt</b>	<b>20,324.93</b>	<b>23,023.44</b>
Less - Cash and Cash Equivalents	(13.98)	(3.92)
Less - Other Bank Deposits	-	-
Less - Current Investments	-	-
<b>Adjusted net debt</b>	<b>20,310.95</b>	<b>23,019.53</b>
Total equity	6,010.67	8,985.94
Adjusted net debt to adjusted equity ratio	<b>3.38</b>	<b>2.56</b>



**MEP SANJOSE TALAJA MAHUVA ROAD PVT. LTD.**  
**Notes to Financial Statements for the period ended 31 March, 2022**

(Currency : Indian rupees in lakhs)

**Note 26**

**Earnings Per Share**

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

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Profit/(Loss) for basic and diluted earnings per share (A)	(2,975.27)	(1,441.84)
Weighted average number of equity shares (B)	6,49,00,000	6,41,26,301
Basic earnings per share (Rs.) ( A / B )	<u>(4.58)</u>	<u>(2.25)</u>
Weighted average number of equity shares outstanding during the year for the calculation of diluted earnings per share ( C )	6,49,00,000	6,49,00,000
Diluted earnings per share (Rs.) ( A / C )	<u>(4.58)</u>	<u>(2.22)</u>

**Note 27**

**Auditor's remuneration (including service tax)**

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Statutory audit fees	1.04	2.23
<b>Total</b>	<u>1.04</u>	<u>2.23</u>

**Note 28**

**Contingent Liabilities**

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Bank Guarantees	-	-
<b>Total</b>	<u>-</u>	<u>-</u>

**Note 29**

**Domestic transfer pricing**

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



**MEP SANJOSE TALAJA MAHUVA ROAD PVT. LTD.**  
**Notes to Financial Statements for the period ended 31 March, 2022**

(Currency : Indian rupees in lakhs)

**Note 30**

**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	0.27	1.57
	<u>0.27</u>	<u>1.57</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
<b>Movement in defined benefit obligations:</b>		
<b>At the beginning of the year</b>		
Current service cost	0.70	1.24
Past service cost	0.19	0.63
Interest cost	-	-
Remeasurements :		0.06
- (Gain)/loss from change in financial assumptions	-	0.03
- (Gain)/loss from change in demographic assumptions	-	-
Experience (gains)/losses	-	(0.99)
Benefits paid	-	-
Liabilities assumed / (settled)	-	(0.28)
<b>At the end of the year</b>	<u>0.89</u>	<u>0.70</u>

**Amount recognised in the balance sheet**

	As at March 31, 2022	As at March 31, 2021
Present value of obligations	0.70	0.29
Present value of plan assets	0.89	0.70
<b>Net liability recognised</b>	<u>0.19</u>	<u>0.41</u>

**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	-	0.00
non-current	0.89	0.29
	<u>0.89</u>	<u>0.29</u>



**Note 30****Employee benefits (Continued)**

The components of defined plan cost are as follows

	As at March 31, 2022	As at March 31, 2021
<b>Recognised in income statement</b>		
Current service cost	0.63	0.63
Past service cost	0.19	-
Interest cost / (income) (net)	0.06	0.06
Expected return on plan assets	-	-
<b>Total</b>	<u>0.89</u>	<u>0.70</u>
<b>Recognised in Other Comprehensive Income</b>		
Remeasurement of net defined benefit liability/(asset)	-	(0.96)
<b>Expenses recognised in Total Comprehensive Income</b>	<u>0.89</u>	<u>(0.27)</u>

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%
Discount rate	-	4.35%
Expected average remaining service lives of the employees	-	2.13

**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 poin	-	0.01
	Plus 50 basis points	-	(0.01)
Rate of increase in salaries	Minus 50 basis poin	-	(0.01)
	Plus 50 basis points	-	0.01

The above sensitivity analyses have been calculated to show the movement in defined benefit obligation in isolation and assuming there are no other 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
<b>March 31, 2022</b>					
Defined benefit obligations (Gratuity)	-	-	-	-	-
<b>Total</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>March 31, 2022</b>					
Defined benefit obligations (Gratuity)	0.00	0.13	0.42	0.30	0.86
<b>Total</b>	<u>0.00</u>	<u>0.13</u>	<u>0.42</u>	<u>0.30</u>	<u>0.86</u>





**MEP SANJOSE TALAJA MAHUVA ROAD PVT. LTD.**  
**Notes to Financial Statements for the period ended 31 March, 2022**

(Currency : Indian rupees in lakhs)

**31 Construction Contract and Service Concession Arrangements**

Description of the arrangement	Significant terms of the arrangement		Financial Assets	
			FY 2021-22	FY 2020-21
The Company has entered in to contract with National Highways Authority of India (NHAI) for Four laning of Talaja - Mahuva Section of NH-8E from KM. 53.585 to KM 100.100 (Design change from KM. 54.990 to KM. 100.450) (Package - II) In The State of Gujarat on Hybrid Annuity mode under NHDP Phase IV	i) Period of concession:-	2017-2034		
	ii) Investment grant from concession grantor	Rs. 5745.70 Lakhs		
	iii) Infrastructure return at the end of concession period:	Yes		
	iv) Investment and renewal obligations:	Nil	413.37	397.06
	v) Re-Pricing dates:-	No		
	vi) Basis upon which re-pricing or re-negotiation is determined	NA		
	vii) Premium payable to grantor	Nil		

Total Revenue of the project is Rs. 64305 Lacs (adjusted for price index Multiple )for construction , 40 % of Which will be payable to companyin 5 equal instalment on completion of 20% , 40%, 60%, 75% and 90% of Physical progress and balance 60% will be payable in biannual installments over a period of 15 years commencing from date of commencement (COD).Each of the biannual installments shall be paid along with interest on reducing balance of payment pending. The Company need to complete construction in 910 days from the date of appointment.



**MEP SANJOSE TALAJA MAHUVA ROAD PVT. LTD.**  
**Notes to Financial Statements for the period ended 31 March, 2022**

(Currency : Indian rupees in lakhs)

**32. Income Tax Expense**

**Tax expenses recognised in Statement of Profit and Loss**

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Current tax	-	-
Current Tax on taxable income for the year	-	-
<b>Total current tax expense</b>	<b>-</b>	<b>-</b>
Deferred tax charge/(credit)	-	(95.10)
Current Tax	-	-
<b>Total Tax Expenses</b>	<b>-</b>	<b>(95.10)</b>

A reconciliation of the income tax expenses to the amount computed by applying the statutory income tax rate to the profit before income tax is summarized below:

Particulars	Year ended 31st March, 2022	Year ended 31st March, 2021
Enacted income tax rate in India applicable to the Company	25.17%	25.17%
Profit before tax	(2,975.27)	(1,346.74)
Current tax expenses on profit before tax expenses at the enacted income tax rate in India	(748.82)	(338.95)
Permanent Disallowances	-	-
Mat credit entitlement	-	-
Deferred tax charge/(credit)	-	(95.10)
Other	748.82	434.05
	<b>-</b>	<b>-</b>



**MEP SANJOSE TALAJA MAHUVA ROAD PVT. LTD.**  
**Notes to Financial Statements for the period ended 31 March, 2022**

(Currency : Indian rupees in lakhs)

**33 Related party disclosures**

In accordance with the requirements of Ind AS 24, Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2015., following are the names of related parties and their relationships, details of the transaction during the year and balances as at the year end :

*(i) Names of related parties where control exists*

Name of related party	Nature of relationship
MEP Infrastructure Developers Limited	Entity with Jointly controlled
Sanjose Infrastructure & Construction Pvt. Ltd.	Entity with Jointly controlled
Mr. Uttam S. Pawar	Director
Mr. Satish Ragle	Director
Mr. Alvaro Bastida Cilleruelo	Director

*(ii) Names of other related parties with whom transactions have taken place during the year*

MEP Infrastructure Developers Limited	Entity with Jointly controlled
Sanjose Infrastructure & Construction Pvt. Ltd.	Entity with Jointly controlled
MEP Nagpur Ring Road 1 Pvt Ltd.	Associate Concern
MEP Longjian VTR Private Limited	Associate Concern



**MEP SANJOSE TALAJA MAHUVA ROAD PVT. LTD.**  
Notes to Financial Statements for the period ended 31 March, 2022

(Currency : Indian rupees in lakhs)

**33 Related party disclosures**

**B. Disclosures of material transactions with related parties and balances**

		For the Year ended 31 March 2022	Year ended 31 March 2021
<b>I) Transactions during the year</b>			
<b>Entity with Jointly Control :</b>			
MEP Infrastructure Developers Limited	Advances Given	-	115.09
	Advances refunded	2,216.52	352.65
	Adjustment of advance given	-	92.18
	Loan taken	-	2,315.53
	Repayment of Loan taken	2,415.14	-
	Expenses incurred on behalf of	-	225.22
	Expenses incurred by	79.08	214.46
<b>Associate Concern :</b>			
MEP Longjian VTR Private Limited	Acquisition of liability (Gratuity)	-	0.28
MEP Nagpur Ring Road 1 Pvt Ltd.	Repayment of expenses payable	5.06	-
<b>II) Balances at the end of the year</b>			
<b>Entity with Jointly Control :</b>			
MEP Infrastructure Developers Limited	Advances receivable	4,235.14	7,215.73
	Payable on account of Expenses	102.60	88.52
	Loan taken	-	2,415.14
	Trade payable	52.59	52.59
Sanjose Infrastructure & Construction Pvt. Ltd.	Loan taken	84.00	84.00
<b>Associate Concern :</b>			
MEP Nagpur Ring Road 1 Pvt Ltd.	Expenses Payable	28.13	33.19
MEP Longjian VTR Private Limited	Expenses Payable	-	0.28



**MEP SANJOSE TALAJA MAHUVA ROAD PVT. LTD.**  
**Notes to Financial Statements for the period ended 31 March, 2022**

(Currency : Indian rupees in lakhs)

**34. Segmental reporting :**

The Company has one reportable business segment " Road construction". Therefore, disclosure for segment reporting not applicable.

**35. Termination notice from Authority :**

National Highway Authority of India (NHAI) issued termination notice to MEP Sanjose Talaja Mahuva Pvt. Ltd on 17th February 2021. The said notice was challenged by the Company vide writ petition before the division bench of Hon'ble High Court of New Delhi. The Hon'ble High Court, vide its Order dated 25th May 2021, has directed NHAI to resolve the issues between both the parties under Conciliation. The Concessionaire has submitted their Statement of Claims to the Conciliation Committee of Independent Experts on 11.10.2021. Three meetings of the CCIE have already been held alongwith NHAI and date for the next meeting is awaited.

**36. Other Disclosure**

(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.

**37. Previous year comparatives**

Previous year's figures have been reclassified, regrouped/rearranged wherever considered necessary to conform to the current year's presentations.

**For Gokhale & sathe**  
**Chartered accountants**

**Firm's registration number : 103264W**



**CA Atul Kale**  
Partner  
Membership No: 109947  
UDIN No. 22109947AMXZKM5712  
Mumbai  
Date : 23 May 2022

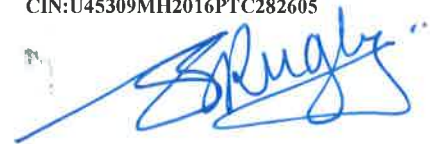


**For and on behalf of the Board of Directors of**  
**MEP SANJOSE TALAJA MAHUVA ROAD PVT. LTD.**  
**CIN:U45309MH2016PTC282605**



**Uttam Pawar**  
Director  
DIN : 03381300

Mumbai  
Date : 23 May 2022



**Satish Rugle**  
Director  
DIN : 08213836

