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Annual Report 2022-23  
of  
Patel Darah-Jhalawar Highway Private Limited

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## DIRECTORS' REPORT

To,  
The Members,  
Patel Darah-Jhalawar Highway Private Limited,

Your directors have pleasure in presenting their 6<sup>th</sup> **Annual Report** together with Audited Accounts of the Company and Auditors' Report thereon for the year ended on 31<sup>st</sup> March, 2023.

### FINANCIAL SUMMARY/STATE OF COMPANY'S AFFAIRS/RESULTS

The Company's financial performance on standalone basis, for the year ended March 31, 2023 is summarised below:

PARTICULARS	2022-23	2021-22
	(Rs. in Lakhs)	
Total Income	14,692.27	34,432.95
Total Expenditure	17,803.74	26,578.40
Profit/(Loss) Before Tax	(3,111.47)	7854.55
Tax Expense:		
(i) Current Tax		-
(ii) Deferred Tax (Asset)/Liabilities	2,839.58	(802.34)
(iii) Short/Excess of Tax		-
	2,839.58	(802.34)
Profit/(Loss) after Tax	(5,951.05)	8656.89
Other Comprehensive Income		
Total Comprehensive Income for the year	(5,951.05)	8656.89
Profit/(loss) per equity share		
Basic and Diluted Profit/(Loss) per share(EPS)	(17.50)	25.46

### CURRENT DEVELOPMENT

That your company is Special Purpose Vehicle to execute the project awarded by National Highway Authority of India Limited for augmentation of the existing road from Km 299.000 to 346.540 (Design Chainage from 9.860 to 58.740) (Darah-Jhalawar-Teendhar section) in the State of Rajasthan under NHDP Phase-III on Hybrid Annuity Project (Length 48.880 Km.) - Package II ("Project") in accordance with the terms and conditions of the Concession Agreement dated November 16, 2017 (hereinafter referred to as the "Project"). Moreover, the company has received the Provisional Completion Certificate (PCC 2) for 35.240 Km (71.59%) dated 18/02/2023. Moreover, the company has received the Provisional Completion Certificate (PCC 3) for 35.314 Km (72.34%) dated 31/05/2023.

### HOLDING, SUBSIDIARIES, JOINT VENTURES, and ASSOCIATES

The Company is Wholly Own Subsidiary Company of Patel Infrastructure Limited ("PIL"). Further, The Company has no Subsidiary and Associates Company, thus AOC-1 is not applicable.

#### **PERFORMANCE AND FINANCIAL POSITION OF EACH OF THE SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENT**

The Company has no Subsidiary as on date, thus there is no requirement to disclose performance and financial position of each of the subsidiaries, associates and joint venture companies included in the consolidated financial statement.

#### **ANNUAL RETURN AND MGT-9**

The extract of Annual Return required under Section 134(3)(a) of the Companies Act, 2013 read with rule 12(1) of the Companies (Management and Administration) Rules, 2014, in Form MGT-9, for the Financial Year ended March 31, 2023 is annexed Annexure - III and forms part of the Directors Report. Annual return and MGT-9 will be available on the Company's Website <https://www.patelinfra.com>.

#### **PARTICULARS OF BOARD MEETING**

Sr. No.	Type of Meeting/ Postal ballot/Circular Resolution, etc.	Number of meeting / circular resolution passed, etc.	Dates of Meetings held during Financial year 2021-22
1.	Board Meetings	6(Six)	25/05/2022, 06/08/2022, 26/09/2022, 29/09/2022, 07/12/2022, 24/03/2023

The Prescribed quorum was present for all the Meetings. Further, the Board confirms compliance with the requirements of the Secretarial Standards as issued by the Institute of Company Secretaries of India and Ministry of Corporate Affairs.

#### **DIRECTORS' RESPONSIBILITY STATEMENT**

In accordance with the provisions of section 134 of the Companies Act, 2013, the director state:

(a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

(b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;

(c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

(d) the directors had prepared the annual accounts on a going concern basis; and

(e) the directors, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.

(f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws

and that such systems were adequate and operating effectively.

## **DIRECTORS AND KMP**

There is no change among Directors and Key Managerial Person and none of the Directors are liable to retire by rotation in terms of provision of the Articles of Association. During the year, no Director has resigned.

## **AUDITORS**

### **(i) Statutory Auditor**

Company has proposed to act as Statutory Auditor to M/s Manubhai & Shah LLP., Chartered Accountants (ICAI Registration No.: 106041W/ W100136), and they also have confirmed that they hold a valid peer review certificate issued by the peer review board of ICAI, New Delhi and eligible to act as auditors.

"RESOLVED THAT pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013, and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), M/s. Manubhai & Shah LLP, Chartered Accountants (ICAI Registration No.: 106041W/ W100136 ), be and is hereby reappointed as the Statutory Auditors of the Company, to hold office for an another term of five years from the conclusion of this 6th Annual General Meeting till the conclusion of 11th Annual General Meeting of the Company to be held in the year 2028, at such remuneration as may be mutually agreed between the Board of Directors of the Company and the Statutory Auditors."

Pursuant to Section 40 of Companies Amendment Act, 2017 notified on May 7, 2018, there is no need to place the matter relating to ratification of appointment by members at every Annual General meeting. Hence ratification of appointment by members shall not be place in the upcoming AGM and onwards.

M/s. Manubhai & Shah LLP., Chartered Accountants, has also confirmed that they hold a valid peer review certificate issued by the peer review board of ICAI, New Delhi and eligible to act as auditors.

The Notes to Accounts forming part of the financial statements are self-explanatory and need no further explanation. There is no qualification or adverse remarks in the Auditor's Report which require any explanation from the Board of Directors. Further, There is no frauds reported by auditor under section 143 (12) of the Companies Act, 2013.

### **ii) Cost Auditor and Disclosure about Cost Audit**

Pursuant to directions issued by Government of India, Ministry of Corporate Affairs (MCA) for appointment of Cost Auditors, the Board of Directors has appointed M/s B. R. & Associates, Cost Accountants, a Cost Accountant as a Cost Auditor of the Company for the financial year beginning from April 1, 2022 and ended March 31, 2023 and on recommendation of Board he has appointed for the financial year beginning from April 1, 2023 ended March 31, 2024. The members are requested to ratify the remuneration to be paid to the cost auditors of the Company.

### **(iii) Secretarial Audit**

M/s. Sunil Mulchandani & Associates, Practicing Company Secretaries were appointed to conduct the secretarial audit of the Company for the financial year 2022-23, as required under Section 204 of the Companies Act, 2013 and rules there under. There is no qualification, reservation or adverse remark made

by the Secretarial Auditor in the Secretarial Audit Report. The secretarial audit report for FY 2022-23 forms part of this Annual Report as Annexure -II.

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

Pursuant to Section 186(11) of the Companies Act, 2013 loans made, guarantees given or securities provided by a company engaged in the business of financing of companies or of providing infrastructural facilities in the ordinary course of its business are not applicable, hence not given.

Further, during the year company has not made any acquisition of securities.

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

All the Related Party Transactions that were entered into during the financial were in the ordinary course of business and on arm's length basis. Details for contracts or arrangement with related party has been provided in AOC – 2 attached as Annexure – I.

**DIVIDEND:** No dividend is recommended for the financial year.

## **MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY**

There are no material changes and commitment affecting the financial position of the Company occurred between the end of the financial year to which this financial statements relate and the date of the report except The Company has entered into Share Purchase Agreement ("SPA") on 31st July, 2023 with M/s Actis Highway Infra Investment Limited (ACTIS Group) for sale M/s Patel Darah-Jhalawar Highway Private Limited.

## **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO**

### **A. Conservation of Energy:**

(a) Energy conservation measures taken:

Since the Company is engaged in the business of construction, it has little room for conservation of energy. Main energy required for the business is diesel, fuel and LDO. Further, the Company has executed EPC agreement with Patel Infrastructure Limited on May 29, 2018. so no expenditure has been noted in financial year by company and No specific measures have been initiated by the Company for the conservation of energy.

### **B. Technology Absorption:**

Not applicable

### **C. Foreign Exchange Earnings and Outgo:**

NIL (P.Y. Nil)

## **RISK MANAGEMENT POLICY**

The Company has established Enterprise Risk Management process to manage risks with the objective of maximizing shareholders value.

## **DEPOSITS**

The Company has not accepted any deposit or loans falling under purview of Section 73 of the Companies Act, 2013 read with the said rules.

## **CHANGE IN THE NATURE OF BUSINESS, IF ANY**

There are no material changes in the nature of business during the year under review

## **INTERNAL CONTROL SYSTEMS**

The Company has in place adequate systems of internal control commensurate with its size and the nature of its operations. These have been designed to provide reasonable assurance with regard to recording and providing reliable financial and operational information, complying with applicable statutes, safeguarding assets from unauthorized use, executing transactions with proper authorization and ensuring compliance of corporate policies.

The Internal Control Systems and audit findings are reviews by the management team on regular basis and standard policies and guidelines to ensure the reliability of financial and all other records.

The Company has also identified various business risks and laid down necessary procedures for mitigation of the same. Given the geographical spread of operations of the Company, the Company has devised adequate systems to ensure statutory compliances at each location and these compliances are monitored regularly.

Suggestions for improvement are considered and Board follows up on corrective action.

## **DISCLOSURES AS PER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

In order to provide women employees a safe working environment at workplace and also in compliance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules framed thereunder, the Company has formulated a well-defined policy on prevention, prohibition and redressal of complaints relating to sexual harassment of women at the workplace. No complaints pertaining to sexual harassment of women employees from any of the Company's locations were received during the year ended March 31, 2023.

## **VIGIL MECHANISM**

The Company has established a vigil for directors and employees to report their genuine concerns. The Vigil Mechanism Policy which has been approved by the Board of Directors of the Company has been hosted on the website of the Company.

## **INSURANCE**

All properties and insurable interests of the Company to the extent required have been adequately insured.

## **PARTICULARS OF EMPLOYEES**

There are no employees who are in receipt of salary in excess of the limits prescribed under Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

## **CHANGES IN SHARE CAPITAL**

There is no change in Equity Share Capital of the Company, during the year under review.

## **APPLICATION MADE OR ANY PROCEEDING**

The details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the year along with their status as at the end of the financial year. –Not Applicable

## **DIFFERENCE BETWEEN AMOUNT OF THE VALUATION**

The details of difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof. – Not Applicable

## **GENERAL**

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

1. transferred any amount to reserves, pursuant to proviso of section 133(3) (i) of Companies Act, 2013.
2. the provision of Section 135 of the Act with respect to Corporate Social Responsibility (CSR), and hence, hence, there is no need to develop policy on CSR and take initiative thereon.
3. Issue of equity shares with differential rights as to dividend, voting or otherwise.
4. Issue of shares (including sweat equity shares) to employees of the Company under any scheme save and except ESOS referred to in this Report.
5. Compliance with respect to receipt of any remuneration or commission from any of its subsidiaries by Managing Director or Whole-time Directors, as there is no MD/WTD in the company.
6. Significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
7. Independent Director:

Your Company is not covered under class of Company as prescribed under Section 149(3) of the Companies Act, 2013 read with Rule 4 of Companies (Appointment and Qualification of Directors) Rules, 2014, hence, no disclosures required under sections 134(3)(d), Section 149(6) and 149(10) of the Companies Act, 2013.

8. Formal Evaluation by Board of Its own Performance:

Being an unlisted Company and having paid up capital of less than Rs. 25 Crores, the Statement in respect of Formal Evaluation by the Board of its own performance and that of its committees and individual directors are not applicable to the Company.

9. Analysis of remuneration:

The Company is not listed on any recognized stock exchange; hence disclosure regarding the ratio of the remuneration of each Director to the median employee's remuneration and other details are not applicable to the Company.

10. Policy on director's appointment & remuneration:

Requirement of Nomination and Remuneration Committee is not applicable to the Company; however, the Company's remuneration policy is directed towards rewarding performance based on review of achievements periodically. The remuneration policy is in consonance with the existing industry practice.

11. Corporate Governance:

Your Company is an unlisted entity; hence the requirement of Corporate Governance is not applicable to your Company during the financial year under review.

**ACKNOWLEDGEMENTS:**

The Board acknowledges with thanks the contribution of employees at all offices and at all levels without whose efforts the Company could not have been developed at such a rapid speed. The Company also expresses their sincere gratitude towards different government and other authorities including NHAI and local authorities for their co-operation to the management by giving timely approval or clearance towards the projects of the Company. The Company is also thankful to the shareholders, suppliers, customers and other associates for their co-operation to the management and for their contribution towards the growth of the Company. The Board does hope for the contribution and co-operation from all continuously in future also.

For and on behalf of Board  
Patel Darah-Jhalawar Highway Private Limited

Place: Vadodara  
Date: 28.09.2023

Pravinbhai V. Patel - 00008911  
Chairman & Director

**Annexures:**

- i. Annexure – I: AOC -2: Particulars of Contract or Arrangements with Related Parties
- ii. Annexure – II : Form No. MR-3: Secretarial Audit Report
- iii. Annexure – III: MGT - 9: Extract of Annual Return



**Annexure – I: Form No. AOC-2**

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

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso is given below:

1. Details of contracts or arrangements or transactions not at Arm's length basis: There were no contracts or arrangements or transactions entered in to during the period ended March 31, 2023 which was not at arm's length basis.

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

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Amount (Rs. In Lakhs.)
Patel Infrastructure Limited – Holding Company	Sub - Contract Related Service	As per Sub - Contract	Sub – Contract Expense	4,138.52
Patel Infrastructure Limited – Holding Company	Sub - Contract Related Service	As per Sub - Contract	Civil Utility Charges	239.74
Patel Infrastructure Limited – Holding Company	Sub - Contract Related Service	As per Sub - Contract	Civil Work of Change of Scope	0.00
Ms. Hiral Gediya	Salary	As per appointment letter	Salary	2.56

Note: - All the transaction which are approved and exempted has been covered in the details of contracts or arrangements or transactions at Arm's length basis.

For and on behalf of Board Patel Darah-Jhalawar Highway Private Limited

Place: Vadodara  
Date: 28.09.2023

Pravinbhai V. Patel - 00008911  
Chairman & Director

Annexure –II Form No. MR-3: Secretarial Audit Report

SECRETARIAL AUDIT REPORT

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

To,  
The Members  
PATEL DARAH – JHALAWAR HIGHWAY PRIVATE LIMITED  
(CIN: U45201GJ2017PTC099499)  
"Patel House", Beside Prakruti Resort, 3, BP Estate,  
Chhani Road, NH 8, Vadodara – 391740

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/S. PATEL DARAH – JHALAWAR HIGHWAY PRIVATE LIMITED (hereinafter referred as "Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2023 complied with the statutory provisions listed hereunder and also that the Company has proper board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2023 according to the provisions of:

- I. The Companies Act, 2013 (the Act) and the Rules made thereunder;
- II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder (Not applicable to the Company during the audit period);
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder (Not applicable to the Company during the audit period);
- IV. The Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings (Not applicable to the Company during the audit period);
- V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable to the Company:-
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

- c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;

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

- I. Secretarial Standards issued by The Institute of Company Secretaries of India.
- II. The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Not applicable to the Company during the audit period);

I hereby report that during the period under review, the Company has complied with the applicable provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above.

VI. I further report that having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the following laws applicable specifically to the Company:

- a) Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996;
- b) Inter State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979;

I further report, that the compliance made by the Company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this Audit since the same have been subject to review by statutory auditor/tax auditor and other designated professionals.

I further report that:

a) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

b) Adequate notice is given to all Directors to schedule the Board Meetings within stipulated time. Agenda and detailed notes on agenda were also sent to all Directors and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

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

I further report that during the audit period, no event/action has taken place which have major bearing on the affairs of the Company in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

For, SUNIL MULCHANDANI AND ASSOCIATES  
Practicing Company Secretaries

Place: Ahmedabad  
Date: 28th September, 2023

SUNIL A. MULCHANDANI  
Proprietor  
ACS No.: 36327, COP No.: 17400  
UDIN: A036327E001117803

Note: This Report is to be read with our letter of even date which is annexed as Annexure A and form an integral part of this Report.

ANNEXURE A

To,  
The Members  
PATEL DARAH – JHALAWAR HIGHWAY PRIVATE LIMITED  
(CIN: U45201GJ2017PTC099499)  
"Patel House", Beside Prakruti Resort, 3, BP Estate,  
Chhani Road, NH 8, Vadodara – 391740

Our report of even date is to be read along with this letter:

1. Maintenance of Secretarial record is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these Secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts and cost records of the Company.
4. We have obtained the Management representation about the compliance of laws, rules and regulations and happening of events, secretarial records and other factual position which cannot be otherwise verified etc. wherever required or necessary.
5. The compliance of the provision of corporate and other applicable laws, rules, regulations, standards is the responsibility of Management. Our examination was limited to the verification of the same on test basis.
6. The Secretarial Audit was conducted in accordance with Auditing Standards issued by the Institute of Company Secretaries of India and in a manner which evolved such examinations and verifications as considered necessary and adequate for the said purpose.

**For, SUNIL MULCHANDANI AND ASSOCIATES**  
*Practicing Company Secretaries*

Place: Ahmedabad  
Date: 28<sup>th</sup> September, 2023

**SUNIL A. MULCHANDANI**  
*Proprietor*  
ACS No.: 36327, COP No.: 17400  
UDIN: A036327D001083010

**Annexure – III: FORM NO. MGT 9**

*Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.*

**EXTRACT OF ANNUAL RETURN**  
**As on the financial year ended on 31/03/2023**

<b>I</b>	<b>REGISTRATION &amp; OTHER DETAILS:</b>	
i	CIN	U45201GJ2017PTC099499
ii	Registration Date	16-Oct-2017
iii	Name of the Company	PATEL DARAH-JHALAWAR HIGHWAY PRIVATE LIMITED
iv	Category of the Company	Company Limited By Shares
v	<b>Address of the Registered office &amp; contact details</b>	
	Address :	"PATEL HOUSE", BESIDE PRAKRUTI RESORT, CHHANI ROAD, CHHANI.
	Town / City :	VADODARA
	State :	GUJARAT-391740
	Country Name :	India
	Telephone (with STD Code) :	0265- 277 6678
	Fax Number :	0265-277 7878
	Email Address :	<a href="mailto:ho@patelinfra.com">ho@patelinfra.com</a>
	Website, if any:	N.A
vi	Whether listed company	Unlisted

**Patel Darah-Jhalawar Highway Private Limited**  
CIN: U45201GJ2017PTC099499



vii	Name and Address of Registrar & Transfer Agents ( RTA ):-		
	Name of RTA:	BIGSHARE SERVICES PRIVATE LIMITED	
	Address :	1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri East	
	Town / City :	Mumbai	
	State :	Maharashtra	
	Pin Code:	400 072	
	Telephone :	022 62638200	
	Fax Number :	022 62638299	
	Email Address :	<u><a href="mailto:rajeshm@bigshareonline.com">rajeshm@bigshareonline.com</a></u>	
II.	PRINCIPAL BUSINESS ACTIVITY OF THE COMPANY		1
All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-			
Sl. No.	Name and Description of main products / services	NIC Code of the Product / service	% to total turnover of the company
1	Construction and Maintenance of Road ( Section F)	42	100%

**Patel Darah-Jhalawar Highway Private Limited**  
CIN: U45201GJ2017PTC099499



III.	PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -				
No. of Companies for which information is being filled			1		
Sr. No.	Name and Address of Company	CIN/GLN	Holding /Subsidiary /Associate	% of shares held	Applicable Section
1	Patel Infrastructure Limited	U45201GJ2004PLC043955	Holding Company	100.00%	2 ( 46)



**Patel Darah-Jhalawar Highway Private Limited**  
CIN: U45201GJ2017PTC099499



IV. SHARE HOLDING PATTERN ( Equity Share Capital Breakup as percentage of Total Equity)									
i. Category-wise Share Holding									
Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoter s</b>									
<b>(1) Indian</b>									
a) Individual/ HUF	01	-	01	0.00%	01	-	01	0.00%	0.00%
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	3,39,99,999	-	3,39,99,999	100%	3,39,99,999	-	3,39,99,999	100%	0.00%
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
<b>(2) Foreign</b>									
a) NRI - Individual/	-	-	-	-	-	-	-	-	-
b) Other - Individual/	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Others	-	-	-	-	-	-	-	-	-
<b>Total shareholding of Promoter (A)</b>	<b>3,40,00,000</b>	<b>-</b>	<b>3,40,00,000</b>	<b>100%</b>	<b>3,40,00,000</b>	<b>-</b>	<b>3,40,00,000</b>	<b>100%</b>	<b>0%</b>

<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FII's	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(1):-</b>	-	-	-	-	-	-	-	-	-

**Patel Darah-Jhalawar Highway Private Limited**  
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<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	-	-	-	-	-	-	-	-	-
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	-	-	-	-	-	-	-	-
c) Others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(2):-</b>	-	-	-	-	-	-	-	-	-
<b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>	-	-	-	-	-	-	-	-	-
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	3,40,00,000	-	3,40,00,000	100%	3,40,00,000	-	3,40,00,000	100%	0%

**Patel Darah-Jhalawar Highway Private Limited**  
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ii Shareholding of Promoters								
Sl No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	M/s. Patel Infrastructure Ltd.	3,39,99,999	100%	51%	3,39,99,999	100%	51%	0.00%
2	Mr. Pravinbhai Vithalbhai Patel ( Nominee of Patel Infrastructure Limited) and Director	1	Negligible	0%	1	Negligible	0%	0.00%
	<b>TOTAL</b>	<b>3,40,00,000</b>	<b>100.00%</b>	<b>51%</b>	<b>3,40,00,000</b>	<b>100.00%</b>	<b>51%</b>	<b>0.00%</b>

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iii Change in Promoters' Shareholding ( please specify, if there is no change)					
	Name of shareholder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	<b>Patel Infrastructure Limited</b>				
	At the beginning of the year	3,39,99,999	100	3,39,99,999	100
	Changes During the year	0	0	0	0
	At the end of the year	<b>3,39,99,999</b>	<b>100</b>	<b>3,39,99,999</b>	<b>100</b>
2.	<b>Pravinbhai Vithalbhai Patel</b>				
	At the beginning of the year	1	0.01	1	0.00
	Changes During the year	0	0.00	0	0.00
	At the end of the year	<b>1</b>	<b>0.00</b>	<b>1</b>	<b>0.00</b>

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iv	Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):				
	Name of shareholder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
Nil					

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v.	<b>Shareholding of Directors and Key Managerial Personnel:</b>				
	<i>For each of the Directors and KMP</i>	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	<b>Pravinbhai Vithalbhai Patel –Director</b>	-	-	-	-
	At the beginning of the year	1	0.00	1	0.00
	Changes During the year	-	-	-	-
	At the end of the year	1	0.00	1	0.00
2.	<b>Arvind Vithalbhai Patel –Director</b>	-	-	-	-
	At the beginning of the year	-	-	-	-
	Changes During the year	-	-	-	-
	At the end of the year	-	-	-	-
3.	<b>Madhubhai Pragjibhai Vaviya - Director</b>	-	-	-	-
	At the beginning of the year	-	-	-	-
	Changes During the year	-	-	-	-
	At the end of the year	-	-	-	-
4.	<b>Hiral Kanubhai Gediya - Company Secretary</b>	-	-	-	-
	At the beginning of the year	-	-	-	-
	Changes During the year	-	-	-	-
	At the end of the year	-	-	-	-

INDEBTEDNESS ( Rs. In Lakhs)				
Indebtedness of the Company including interest outstanding/accrued but not due for payment				
<u>Indebtedness at the beginning of the financial year</u>	<u>Secured Loans excluding deposits</u>	<u>Unsecured Loans</u>	<u>Deposits</u>	<u>Total Indebtedness</u>
i) Principal Amount	44,425.16	-	-	44,425.16
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<u>Total (i+ii+iii)</u>	44,425.16	-	-	34828.07
<u>Change in Indebtedness during the financial year</u>	<u>Secured Loans excluding deposits</u>	<u>Unsecured Loans</u>	<u>Deposits</u>	<u>Total Indebtedness</u>
* Addition	8,414.76	-	-	8,414.76
* Reduction	2,618.41	-	-	2,618.41
<u>Net Change</u>	5,796.36	-	-	5,796.36
<u>Indebtedness at the end of the financial year</u>	<u>Secured Loans excluding deposits</u>	<u>Unsecured Loans</u>	<u>Deposits</u>	<u>Total Indebtedness</u>
i) Principal Amount	50,221.51	-	-	50,221.51
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<u>Total (i+ii+iii)</u>	50,221.51	-	-	50,221.51



VI.	REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL					
A.	Remuneration to Managing Director, Whole-time Directors and/or Manager:					
	Not Applicable as Company has not appointed any Managing Director, Whole Time Directors and /or Manager.					
B.	Remuneration to other directors:					
	Not Applicable as Company has not appointed any Independent and not paid any remuneration to Non-Executive Directors					
Overall Ceiling as per the Act - Not Applicable as company is Private Limited Company.						
C.	REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD					
	Sl. no.	Particulars of Remuneration	Key Managerial Personnel ( In Lakhs)			
			CEO	Company Secretary	CFO	Total
	1	Gross salary	-	2.56	-	2.56
		(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	2.56	-	2.56
		(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
		(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
	2	Stock Option	-	-	-	-
	3	Sweat Equity	-	-	-	-
	4	Commission	-	-	-	-
		- as % of profit	-	-	-	-
		- others, specify...	-	-	-	-
	5	Others, please specify	-	-	-	-
		Total	-	2.56	-	2.56

VII.	<b>PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:</b> During the year under review, no penalty or other punishment was imposed on Company, directors or any officers of the Company for any alleged offence under the Companies Act, 2013 or rules framed there under. During the year the Company or any officer of the Company has not made any application to any authority for compounding of offence under the said Act.
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For and on behalf of Board  
For, Patel Darah-Jhalawar Highway Private Limited.

Date: 28.09.2023  
Place: Vadodara

Pravinbhai V. Patel  
Chairman & Director  
DIN: 00008911

## **INDEPENDENT AUDITOR'S REPORT**

**To**  
**The Members of**  
**Patel Darah Jhalawar Highway Private Limited**  
**Report on the Financial Statements**

### **Opinion**

We have audited the accompanying financial statements of Patel Darah-Jhalawar Highway Private Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the statement of Cash Flow and Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (herein after referred to as 'financial statements').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, the loss and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

### **Basis for Opinion**

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

### **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 and Shareholder's Information, but does not include the financial statements and our auditor's report thereon. The other information is expected to be made available to us after the date of this auditor's report.

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

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

When we read the Board's Report, if we conclude that there is material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditor's responsibilities relating to other information'.

### **Management's Responsibility for the 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 financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act.

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

In preparing the Financial Statements, management is responsible for assessing the company's ability to continue as 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 also responsible for overseeing the Company's financial

reporting process.

### **Auditor's Responsibility**

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

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

Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion.

Evaluate the overall presentation, structure and content of the financial

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

Materiality is the magnitude of misstatements in the 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 the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid financial statements comply with the Indian

Accounting Standards specified under Section 133 of the Act, read with relevant rules issued thereunder.

- (e) On the basis of the written representations received from the directors as on 31st March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164(2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **“Annexure – B”**. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the company’s financial controls over financial reporting.
- (g) With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the Act, as amended, we report that the company being a private limited company provision, of section 197(16) is not applicable.
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company did not have any pending litigations which would impact its financial position.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were 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 or paid any dividend in the year and hence reporting requirement for compliance with Section 123 of the Act is not applicable.
- vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023

**For Manubhai & Shah LLP**  
**Chartered Accountants**  
**Firm's Registration No.106041W/W100136**

<b>Place: Ahmedabad</b>	<b>J. D. Shah</b>
<b>Date:</b>	<b>Partner</b>
	<b>Membership No. 100116</b>
	<b>UDIN: 23100116BGWJYM4681</b>



**Annexure 'A' to the Independent Auditors' Report**

(Referred to in paragraph 1 under "Report on Other Legal and Regulatory Requirements" section of our report the members of Patel Darah-Jhalawar Highway Private Limited of even date)

Report on Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of Section 143(11) of the Companies Act, 2013 ('the Act') of the Company

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

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant & equipment.  
(B) The Company has maintained proper records showing full particulars, including quantitative details of intangible assets.  
(b) The property, plant & equipment have been physically verified during the year by the management, which in our opinion, is reasonable having regard to size of the Company and nature of property, plant & equipment. According to the information and explanation given to us, no material discrepancies were noticed on such verification.  
(c) The title deeds of immovable property as disclosed in note no. 4 to the financial statement are held in the name of the company.  
(d) The company has not revalued its Property, Plant and Equipment during the year.  
(e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii) (a) The company had no inventory during and at the year end. Therefore, the reporting requirement is not applicable.  
(b) During the year, the company has not been sanctioned working capital limits in excess of Rs. 5 crores in aggregate, from banks or financial institutions on the basis of security of current assets, therefore, the reporting requirement of paragraph 3(ii) (b) is not applicable.
- (iii) During the year, the Company has not made any investment in, provided any

guarantee or security, granted loans to companies, firms, limited liability partnerships or any other parties. Hence the reporting requirements of paragraph 3(iii) is not applicable.

(iv) The company has not given loans, or provided guarantees or security, attracting the provisions of sections 185 and 186 of the Act. Hence the reporting requirements of paragraph 3(iv) of the Order are not applicable.

(v) The Company has not accepted any deposits or amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of deposits) rules, 2014 (as amended). Hence, the reporting requirements of clause 3(v) of the order are not applicable.

(vi) We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended, prescribed by the Central Government under Section 148 (1) of the Act and are of the opinion, that prima facie, the prescribed cost records have been made and maintained. However, we have not made a detailed examination of such records with a view to determine whether they are accurate or complete.

(vii)

(a) In our opinion, the Company is generally regular in depositing the undisputed statutory dues, including Goods and Service Tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Customs, duty of Excise, Value Added Tax, Cess and other material statutory dues, as applicable, with appropriate authorities.

There were no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Customs, duty of Excise, Value Added Tax, Cess and other material statutory dues were in arrears as at March 31, 2023 for a period of more than six months from the date they became payable.

(b) There were no disputed amounts payable in respect of goods and service tax, provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues as at March 31, 2023.

(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 defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (b) The company has not been declared wilful defaulter by any bank or financial institution or other lender.
- (c) The company has utilized funds for the purpose for which it was obtained.
- (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) The company does not have subsidiaries, associates or joint ventures. Hence the reporting requirements of paragraph 3(ix) (e) of the Order are not applicable.
- (f) The Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Hence the reporting requirements of clause 3(ix) (f) of the Order are not applicable.

(x)

- (a) The Company has not raised any money by way of initial public offer or further public offer during the year. Hence the reporting requirements of clause 3(x) of the order are not applicable.
- (b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Hence the reporting requirements of clause 3(x) of the order are not applicable.

(xi)

- (a) No fraud by the company and no material fraud on the Company has been noticed or reported during the year nor have we been informed of any such case by the Management.
- (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 the Central Government, during the year and up to the date of this report.
- (c) As represented by the management, there are no whistle blower complaints received by the company during the year.

- (xii) The Company is not a Nidhi Company. Therefore, the reporting requirement of Clause 3(xii) of the Order is not applicable.
- (xiii) In our opinion, all the transactions with related parties are in compliance with Sections 177 and 188 of the Act where applicable and also the details which have been disclosed in the Financial Statements are in accordance with the applicable Indian Accounting Standards.
- (xiv)
- (a) The company has internal audit system commensurate with the size and nature of its business.
  - (b) We have considered, the internal audit reports for the year under audit, issued to the company during the year, in determining nature timing and extent of our audit procedure.
- (xv) The Company has not incurred cash losses in the current and immediately preceding financial year.
- (xvi)
- (a) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934, hence reporting requirement of clause 3(xvi) (a) (b) and (c) of the Order are not applicable.
  - (b) The Company is not part of any group.
- (xvii) The Company has incurred cash losses of Rs. 3110.52 lakhs in current financial year. The company has not incurred any cash loss in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the company during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which cause us to believe that any material uncertainty exist as on the date of 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

**Manubhai & Shah LLP**  
**Chartered Accountants**

from the balance sheet date. However, we state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of 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) According to information and explanation given to us, based on examination of the financial statement of the company, the Company is not required to spend amount as per Section 135 of the Act for CSR in the current financial year. Therefore, reporting under clause 3 (xx) of the Order is not applicable.

**For Manubhai & Shah LLP**  
**Chartered Accountants**  
**Firm's Registration No.106041W/W100136**

**Place: Ahmedabad**  
**Date: August 31, 2023**

**J. D. Shah**  
**Partner**  
**Membership No. 100116**  
**UDIN: 23100116BGWJYM4681**

**Report on Internal Financial Controls over Financial Reporting**  
**Annexure 'B' To the Independent Auditor's Report of Even Date on the Financial**  
**Statements of Patel Darah-Jhalawar Highway Private Limited.**

In conjunction with our audit of the financial statements Patel Darah-Jhalawar Highway Private Limited (The Company) as of and for the year ended March 31, 2023, we have also audited the internal financial controls over financial reporting of the Company.

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

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing

and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

### **Meaning of Internal Financial Controls over Financial Reporting**

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

A company's internal financial control over financial reporting includes those policies and procedures that;

- 1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- 2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- 3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

**For Manubhai & Shah LLP**  
**Chartered Accountants**  
**Firm's Registration No. 106041W/W100136**

**Place: Ahmedabad**  
**Date: August 31, 2023**

**J. D. Shah**  
**Partner**  
**Membership No. 100116**  
**UDIN: 23100116BGWJYM4681**



**Patel Darah-Jhalawar Highway Private Limited**  
**Statement of Significant Accounting policies and Other Explanatory Notes**

**CORPORATE INFORMATION**

Patel Darah-Jhalawar Highway Private Limited ("the Company") is a company domiciled in India and is incorporated on 16<sup>th</sup> October 2017 under the provisions of the Companies Act applicable in India. It's a wholly owned subsidiary of Patel Infrastructure Limited. The registered office of the company is located at Patel House, besides Prakruti Resort, Chhani road, Chhani, Vadodara, Gujarat – 391740.

The Company was incorporated as a Special Purpose Vehicle (SPV) in October, to augment the existing road from km 299.000 to km 346.540 (Design Chainage From 9-860 to 58.740) (approximately 48.880 km) on the

Section of National Highway No. 12 (New NH-52) (hereinafter called the "NH-12 (New NH-52)") in the State of Rajasthan by Four-laning thereof (the "Project") on design, build, operate and transfer (the "DBOT Annuity" or "Hybrid Annuity") basis, As per the Service Concession Arrangement, NHAI grants to the Company exclusive right, license and authority to construct, operate and maintain the project during the Construction Period of 730 days and Operation Period of 15 years commencing from COD.

The financial statements were authorized for issue in accordance with a resolution of the directors on August 31, 2023.

**1. Statement on Significant Accounting Policies, Key Accounting Estimates and Judgements:**

**1.1 Basis for Preparation:**

Standalone Financial Statements of the Company have been prepared as per Indian Accounting Standards (Ind AS) in accordance with the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time, notified under Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

Standalone Financial Statements have been prepared on the historical cost convention, except for certain financial instruments that are measured at fair value at the end of each reporting period in accordance with Ind AS.

**1.2 Functional and Presentation Currency:**

These Standalone Financial Statements are presented in Indian Rupees (INR), which is also the functional currency. All amounts have been rounded off to the nearest lakhs, except per share data, face value of equity shares and expressly stated otherwise.

**1.3 Key accounting estimates and judgements:**

The application of the Company's accounting policies in the preparation of the Standalone financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, accompanying disclosures and disclosures of contingent liabilities. Estimates and underlying assumptions are reviewed on an ongoing basis and any revisions thereto are recognized prospectively. Actual results may differ from these estimates which could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

**1.4 Critical accounting estimates and assumptions**

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described in the below mentioned notes.

**i) Fair value measurement of financial instruments:**

In estimating the fair value of financial assets and financial liabilities, the Company uses market observable data to the extent available. Where such Level 1 inputs are not available, the

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Company establishes appropriate valuation techniques and inputs to the model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

**ii) Income Tax Expense**

Significant management judgement is required to determine the amounts of current taxes, deferred taxes and tax credits that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

**iii) Revenue Recognition based on Percentage of Completion:**

Based on the survey of work undertaken by qualified professionals, percentage of completion for each project is derived. Accordingly, based on percentage of work completed, contract revenue is recognised in the financial statements.

**iv) Provision for estimated losses on construction contracts:**

When it is probable that total contract costs will exceed contract revenues, the expected loss is required to be recognized as an expense immediately. The major component of contract estimate is budgeted costs to complete the contract. While estimating the total costs, management makes various assumptions such as the timeliness of project completion, the estimated costs escalations and consumption norms.

**1.5 Current / Non-Current Classification:**

Any asset or liability is classified as current if it satisfies any of the following conditions:

- i. the asset/liability is expected to be realized/settled in the Company's normal operating cycle;
- ii. the asset is intended for sale or consumption;
- iii. the asset/liability is expected to be realized/settled within twelve months after the reporting period;
- iv. the asset is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date;
- v. In the case of a liability, the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

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

For the purpose of current/non-current classification of assets and liabilities, the Company has ascertained its normal operating cycle as twelve months. This is based on the nature of services and the time between the acquisition of assets or inventories for processing and their realization in cash and cash equivalents.

**2. SIGNIFICANT ACCOUNTING POLICIES**

**a. Revenue Recognition**

Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company assesses promises in the contract that are separate performance obligations to which a portion of transaction price is allocated.

Revenue is measured based on the transaction price as specified in the contract with the customer. It excludes taxes or other amounts collected from customers in its capacity as an agent.

**Patel Darah-Jhalawar Highway Private Limited**  
**Statement of Significant Accounting policies and Other Explanatory Notes**

The Company constructs the infrastructure (road) used to provide a public service and operates and maintains that infrastructure for a specified period of time. Under Appendix D to Ind AS 115 - Revenue from Contracts with Customers, this arrangement is accounted for based on the nature of the consideration. The intangible asset is used to the extent that the Company receives a right to charge the users of the public service. The financial asset is used when the Company has an unconditional right to receive cash or another financial asset from or at the direction of the grantor for the construction services.

Design-Build-Operate-Transfer (DBOT) contracts on hybrid annuity basis contain three Streams of revenue- Construction revenue, Financing income and Operations and maintenance (O&M) income. The construction stream of DBOT revenues and accounted for in the construction phase of DBOT, O&M income is recognized in the operating phase of the DBOT, while finance income is recognized over a concession period based on the imputed interest method.

The Company is rendering Construction and Maintenance Services to NHAI under the Hybrid Annuity Model.

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

Revenue related construction services provided under service concessionaire arrangement is recognized based on the stage of completion of the work performed. The stage of completion is assessed by reference to input method i.e. cost incurred till the date in proportion to total estimated cost to complete the work.

Revenue from Operation & Maintenance activities are recognized at an amount for which it has right to consideration (i.e. right to invoice) from customer that corresponds directly with the value of the performance completed to that date

Utility shifting Income is recognised as and when the work is completed and the same is certified by the Client.

**Interest Income**

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

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

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

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

Depreciation on all assets of the Company is charged on straight line basis over the useful life of assets at the rates and in the manner provided in Schedule II of the Companies Act 2013 for the proportionate period of use during the year. Depreciation on assets purchased /installed during the year is calculated on a pro-rata basis from the date of such purchase /installation.

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

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the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

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

**c. Borrowing Costs**

Borrowing costs that are directly attributable to the acquisition, construction or production of qualifying asset are capitalized as a part of the cost of such asset. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use. All others borrowing cost are recognized in the profit and loss in the period in which they are incurred.

**d. 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.

- **Financial assets**

**i. Initial recognition and measurement of financial assets**

All financial assets are recognized initially at fair value. Transaction costs that are directly attributable to the acquisition of financial assets that are not at fair value through profit or loss are added to the fair value on initial recognition. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date i.e. the date that the Company commits to purchase or sell the asset.

**ii. Subsequent measurement of financial assets**

For purposes of subsequent measurement, financial assets are classified in three categories:

- **Financial assets at amortized cost:**

A financial asset is measured at amortized cost if it is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

- **Financial assets at fair value through other comprehensive income:**

A financial asset is measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding. Financial assets included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI).

- **Financial assets at fair value through profit or loss:**

FVTPL is a residual category for financial assets. Any financial asset which does not meet the criteria for categorization as at amortized cost or as FVTOCI is classified as at FVTPL.

**iii. De-recognition of financial assets**

A financial asset is de-recognized when the contractual rights to the cash flows from the financial asset expire or the Company has transferred its contractual 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

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

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognizes 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.

**iv. Impairment of financial assets**

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets. Expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognized as an impairment gain or loss in profit or loss.

**Financial Liabilities**

**i. Initial recognition and measurement of financial liabilities**

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

All financial liabilities are recognised initially at fair value. All financial liabilities are recognised initially at fair value and, in the case of loan and borrowings and payable, net of directly attributable transaction costs.

**ii. Subsequent measurement of financial liabilities**

The measurement of financial liabilities depends on their classification, as described below:

• **Financial liabilities at fair value through profit or loss**

Financial liabilities at fair value through profit or loss include financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind-AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risks are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss.

• **Loans and Borrowings**

This is the category most relevant to the Company. After initial recognition, interest-bearing borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognized as well as through the EIR amortisation process.

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Amortized 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. This category generally applies to borrowings.

**iii. Derecognition of financial liabilities**

A financial liability (or a part of a financial liability) is derecognized from its balance sheet when, and only when, it is extinguished i.e. when the obligation specified in the contract is discharged or cancelled or expired.

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 balance sheet if the Company currently has enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

**e. Fair Value Measurement**

The company measures financial instrument such as Investment in Mutual Fund at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement assumes that the transaction to sell the asset or transfer the liability takes place either:

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

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

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

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefit by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 – Quoted (unadjusted) market price in active markets for identical assets or liabilities
- Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

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- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The company's management determines the policies and procedures for both recurring fair value measurement, such as derivative instruments

At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the company's accounting policies. For this analysis, the management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The management also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable on yearly basis.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Significant accounting judgements, estimates and assumptions
- Quantitative disclosures of fair value measurement hierarchy
- Financial instruments (including those carried at amortized cost)

**f. Impairment – Non-financial assets**

The company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists the company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs to sell and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. The impairment loss is recognised in the statement of profit and loss.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

The Company bases its impairment calculation on detailed budgets and forecasts calculation. These budgets and forecasts calculations generally covering a period of the concession agreements using long terms growth rates applied to future cash flows.

Intangible assets with indefinite useful lives are tested for impairment annually either individually or at the CGU level, as appropriate and when circumstances indicate that the carrying value may be impaired.

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**g. Income Tax**

Income tax comprises of current tax and deferred tax. It is recognized in the profit and loss statement, except to the extent that it relates to an item recognized directly in equity or in other comprehensive income.

Income tax expense comprises current tax and deferred tax.

**Current Tax**

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities in accordance with Income tax 1961. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current income tax are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

**Deferred Tax**

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

Deferred tax liabilities are recognised for all taxable temporary differences excepts when the deferred tax liability arises from the initial recognition of an asset or liability in a transaction that affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax losses and carry forward of unused tax credits to the extent that it is probable that taxable profit will be available against which those temporary differences, losses and tax credit can be utilized excepts when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that affects neither the accounting profit nor taxable profit or loss.

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on the tax rules and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and deferred tax liabilities are offset, where company has a legally enforceable right to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

**h. Project work-in-progress**

Project work-in-progress represents uncertified inventory valued at contract rate pending final certification.



**i. Provisions Contingent Liabilities & Contingent Assets**

A provision is recognized when the Company has a present legal or constructive obligation as a result of past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount can be reliably estimated at the reporting date.

Provision are recognized base on the best estimate of the management with respect to the amount required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows when the effect of the time value of money is material.

Disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources embodying economic benefits or the amount of such obligation cannot be measured reliably. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources embodying economic benefits is remote, no provision or disclosure is made.

A contingent asset is not recognized but disclosed in the financial statements where and inflow of economic benefits is probable.

**j. Provisions**

**General**

Provision is recognized when the company has a present obligation (legal or constructive) as a result of past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to a provision is presented in the statement of profit or loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

**Contractual obligation to restore the infrastructure to a specified level of serviceability**

The Company has contractual obligations to maintain the road to a specified level of serviceability or restore the road to a specified condition before it is handed over to the grantor of the Concession Agreements. Such obligations are measured at the best estimate of the expenditure that would be required to settle the obligation at the balance sheet date. The timing and amount of such cost are estimated and determined by estimated cash flows, expected to be incurred in the year of overlay. The cash flows are discounted at a current pre-tax rate that reflects the risks specific to such obligation. The unwinding of the discount is expensed as incurred and recognised in the statement of profit and loss as a finance cost. The estimated future costs of such obligation are reviewed annually and adjusted as appropriate.

**k. Cash and cash equivalents**

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

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**l. Earnings per share**

Basic EPS is calculated by dividing the profit / loss for the year attributable to ordinary equity holders by the weighted average number of ordinary shares outstanding during the year.

Diluted EPS is calculated by dividing the profit / loss attributable to ordinary equity holders by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

**m. Segment reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

**n. RECENT ACCOUNTING PRONOUNCEMENTS**

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 31, 2023, MCA amended the Companies (Indian Accounting Standards) Rules, 2015 by issuing the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023, as below:

**a. Ind AS 1 – Presentation of Financial Statements**

The amendments require companies to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general-purpose financial statements. The Company does not expect this amendment to have any significant impact in its financial statements.

**b. Ind AS 12 – Income Taxes**

The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12 (recognition exemption) so that it no longer applies to transactions that, on initial recognition, give rise to equal taxable and deductible temporary differences. The Company is evaluating the impact, if any, in its financial statements.

**c. Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors**

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a change in accounting estimates has been replaced with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The Company does not expect this amendment to have any significant impact in its financial statements.

Particulars	Note No.	As at March 31, 2023	As at March 31, 2022
<b>I. ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Property, Plant and Equipment	4	3.51	4.45
(b) Financial Assets			
(i) Others Non-Current Financial Assets	5	41,409.95	46,459.28
(c) Deferred Tax Asset (Net)	6	-	1,774.72
(d) Other Non Current assets	7	253.06	274.26
<b>Total Non-current Assets</b>		<b>41,666.52</b>	<b>48,512.71</b>
<b>2 Current assets</b>			
(a) Financial Assets			
(i) Trade Receivables	8	406.52	1,540.16
(ii) Cash and cash equivalents	9	3,962.86	87.30
(iii) Other current financial assets	10	13,790.09	11,137.45
(b) Current tax assets (Net)	11	25.08	15.98
(c) Other current assets	12	5,025.26	6,026.16
<b>Total Current assets</b>		<b>23,209.81</b>	<b>18,807.05</b>
<b>Total Assets</b>		<b>64,876.33</b>	<b>67,319.76</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>1 Equity</b>			
(a) Equity Share capital	13	3,400.00	3,400.00
(b) Instruments Entirely Equity in Nature	14	10,234.05	10,084.05
(c) Other Equity	15	(1,637.43)	4,313.62
<b>Total Equity</b>		<b>11,996.62</b>	<b>17,797.67</b>
<b>2 Liabilities</b>			
<b>(i) Non-Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	16	-	42,209.67
(b) Deferred Tax Liabilities (Net)	6	1,064.87	-
(c) Other Non-current financial liabilities	17	-	57.38
<b>Total Non-Current Liabilities</b>		<b>1,064.87</b>	<b>42,267.05</b>
<b>(ii) Current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	18	50,216.67	2,215.44
(ii) Trade payables	19	-	-
(A) Total outstanding dues of Micro enterprises and Small Enterprises.		-	-
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises.		910.77	3,824.15
(iii) Other current financial liabilities	20	214.00	729.46
(b) Other current liabilities	21	473.40	485.99
<b>Total Current liabilities</b>		<b>51,814.84</b>	<b>7,255.04</b>
<b>Total Liabilities</b>		<b>52,879.71</b>	<b>49,522.09</b>
<b>Total Equity and Liabilities</b>		<b>64,876.33</b>	<b>67,319.76</b>
<b>Significant Accounting Policies</b>	1 to 3		

Accompanying notes 1 to 38 are an integral part of the financial statements

As per our report of even date

For Manubhai & Shah LLP  
Chartered Accountants  
ICAI Firm Reg. No. - 106041W/W100136

For and on behalf of Board of Directors of  
Patel Darah-Jhalawar Highway Private Limited

J. D. Shah  
Partner  
Membership No.: 100116

Pravinbhai V. Patel  
Director  
DIN- 00008911

Arvind V. Patel  
Director  
DIN- 00009089

Hiral Gediya  
Company Secretary  
ICSI Membership No.: A48107

Place: Ahmedabad  
Date: August 31, 2023

Place: Vadodara  
Date: August 31, 2023

Patel Darah Jhalawar Highway Private Limited

CIN:U45201GJ2017PTC099499

Statement of Profit and Loss for the year ended on March 31, 2023

(₹ in Lakhs)

Particulars	Note No.	Year ended March 31,2023	Year ended March 31,2022
<b>I Income</b>			
Revenue from Operations	22	14,577.74	34,266.90
Other Income	23	114.53	166.05
<b>Total Income</b>		<b>14,692.27</b>	<b>34,432.95</b>
<b>II Expenses</b>			
Construction Expenses	24	12,941.98	22,423.23
Employee Benefits Expense	25	2.56	4.12
Finance costs	26	4,390.14	3,816.41
Depreciation	4	0.95	0.95
Other Expenses	27	468.11	333.69
<b>Total Expenses</b>		<b>17,803.74</b>	<b>26,578.40</b>
<b>III Profit/ (Loss) Before Tax (I - II)</b>		<b>(3,111.47)</b>	<b>7,854.55</b>
<b>IV Tax Expense:</b>			
(1) Deferred Tax (Asset)/Liabilities		2,839.58	(802.34)
		2,839.58	(802.34)
<b>V Profit/(Loss) after Tax (III - IV)</b>		<b>(5,951.05)</b>	<b>8,656.89</b>
<b>VI Other comprehensive income</b>		-	-
<b>VII Total comprehensive income for the Year (V- VI)</b>		<b>(5,951.05)</b>	<b>8,656.89</b>
<b>VIII Profit/(Loss) per equity share</b>			
Basic and Diluted Profit/(Loss) per Share (EPS)		<b>(17.50)</b>	<b>25.46</b>
<b>Significant Accounting Policies</b>	<b>1 to 3</b>		

Accompanying notes 1 to 38 are an integral part of the financial statements

As per our report of even date

For Manubhai & Shah LLP  
Chartered Accountants  
ICAI Firm Reg. No. - 106041W/W100136

For and on behalf of Board of Directors of  
Patel Darah-Jhalawar Highway Private Limited

J. D. Shah  
Partner  
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Pravinbhai V. Patel  
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DIN- 00009089

Hiral Gediya  
Company Secretary  
ICSI Membership No.: A48107

Place: Ahmedabad  
Date: August 31 , 2023

Place: Vadodara  
Date: August 31 , 2023

(₹ in Lakhs)

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
<b>A Cash Flow from Operating activities</b>		
Profit / (Loss) Before Tax	(3,111.47)	7,854.55
<b>Adjustment For:</b>		
Finance Cost	12,491.37	3,677.82
Depreciation	0.95	0.95
Finance Income on Financial assets carried at amortised assets	-	(11,367.27)
Interest Income on Fixed deposits	(23.06)	(4.55)
<b>Operating Profit Before Working Capital Changes</b>	<b>9,357.79</b>	<b>161.50</b>
<b>Adjustment For Working Capital Changes:</b>		
Changes in Trade Receivables	1,133.64	(1,306.00)
Changes in Financial Assets	2,396.69	(9,457.75)
Changes in Other Assets	1,022.10	(578.36)
Changes in Financial Liabilities	(3,486.21)	1,653.69
Changes in Other Payables	(12.59)	(1,120.98)
<b>Cash Generated From Operations</b>	<b>10,411.42</b>	<b>(10,647.90)</b>
Direct Taxes paid (Net)	(9.10)	(8.39)
<b>Net Cash from Operating Activities</b>	<b>10,402.32</b>	<b>(10,656.29)</b>
<b>B Net Cash Used In Investing Activities</b>		
<b>Net Cash Generated From/ (Used In) Investing Activities</b>	<b>-</b>	<b>-</b>
<b>C Cash Flow From Financing Activities:</b>		
Proceeds from / (Repayments of) Long term borrowings	5,791.56	9,597.04
Proceeds from instruments Entirely Equity in Nature	150.00	-
Interest and Other Borrowing Cost Paid	(12,491.37)	(3,677.82)
Interest Income on FDR	23.06	4.55
<b>Net Cash Generated From/ (Used In) Financing Activities</b>	<b>(6,526.75)</b>	<b>5,923.77</b>
<b>Net Increase/ (Decrease) In Cash and Cash Equivalents ( A + B + C )</b>	<b>3,875.57</b>	<b>(4,732.52)</b>
<b>Opening Balance of Cash and Cash Equivalent</b>	<b>87.30</b>	<b>4,819.82</b>
<b>Closing Balance of Cash and Cash Equivalent</b>	<b>3,962.87</b>	<b>87.30</b>

**Notes to the Cash Flow Statement**

- The above Statement of Cash Flow has been prepared under the "Indirect Method" as set out in Indian Accounting Standard (Ind AS) - 7 "Statement of Cash Flows".
- Cash and cash equivalent comprises of:

Particulars	As at March 31, 2023	As at March 31, 2022
Balances with banks:		
- Current Accounts	3,957.81	87.24
Cash in hand	5.05	0.06
<b>Cash and cash equivalents</b>	<b>3,962.86</b>	<b>87.30</b>

**Significant Accounting Policies**

1 to 3

Accompanying notes 1 to 38 are an integral part of the financial statements

As per our report of even date  
For Manubhai & Shah LLP  
Chartered Accountants  
ICAI Firm Reg. No. - 106041W/W100136

For and on behalf of Board of Directors of  
Patel Darah-Jhalawar Highway Private Limited

J. D. Shah  
Partner  
Membership No.: 100116

Pravinbhai V. Patel  
Director  
DIN- 00008911

Arvind V. Patel  
Director  
DIN- 00009089

Hiral Gediya  
Company Secretary  
ICSI Membership No.: A48107

Place: Ahmedabad  
Date: August 31 , 2023

Place: Vadodara  
Date: August 31 , 2023

## A Equity Share Capital

(₹ in Lakhs)

Balance as at April 1, 2022	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of April 1,2022	Changes in equity share capital during the year 2022-23	Balance as at March 31, 2023
3,400.00	-	3,400.00	-	3,400.00

Balance as at April 1, 2021	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of April 1,2021	Changes in equity share capital during the year 2021-22	Balance as at March 31, 2022
3,400.00	-	3,400.00	-	3,400.00

## B Instruments Entirely Equity in Nature

(₹ in Lakhs)

Balance as at April 1, 2022	Changes in Instruments due to prior period errors	Restated balance at the beginning of April 1,2022	Changes in Instruments during the year 2022-23	Balance as at March 31, 2023
10,084.05	-	10,084.05	150.00	10,234.05

Balance as at April 1, 2021	Changes in Instruments due to prior period errors	Restated balance at the beginning of April 1,2021	Changes in Instruments during the year 2021-22	Balance as at March 31, 2022
10,084.05	-	10,084.05	-	10,084.05

## C Other Equity

(₹ in Lakhs)

Particulars	Retained Earning	Total
Balance as at April 1, 2021	(4,343.27)	(4,343.27)
Changes in Equity Share Capital due to prior period errors	-	-
Restated balance at the beginning of April 1,2021	-	-
Profit/ (Loss) Transfer to Retained Earnings	8,656.89	8,656.89
<b>Balance at the end of the year March 31, 2022</b>	<b>4,313.61</b>	<b>4,313.61</b>
Balance as at April 1, 2022	4,313.61	4,313.61
Changes in Equity Share Capital due to prior period errors	-	-
Restated balance at the beginning of April 1,2022	-	-
Profit/ (Loss) Transfer to Retained Earnings	(5,951.05)	(5,951.05)
<b>Balance at the end of the year March 31, 2023</b>	<b>(1,637.44)</b>	<b>(1,637.44)</b>

## Significant Accounting Policies

1&amp;3

Accompanying notes 1 to 38 are an integral part of the financial statements

As per our report of even date

For and on behalf of Board of Directors of

For Manubhai &amp; Shah LLP

Patel Darah-Jhalawar Highway Private Limited

Chartered Accountants

ICAI Firm Reg. No. - 106041W/W100136

J. D. Shah

Partner

Membership No.: 100116

Pravinbhai V. Patel

Director

DIN- 00008911

Arvind V. Patel

Director

DIN- 00009089

Hiral Gediya

Company Secretary

ICSI Membership No.: A48107

Place: Ahmedabad

Date: August 31 , 2023

Place: Vadodara

Date: August 31 , 2023

**Patel Darah-Jhalawar Highway Private Limited**

**CIN:U45201GJ2017PTC099499**

**Note 4 - Property, Plant & Equipment**

(₹ in Lakhs)

Gross block	Property, Plant & Equipment	
	Motor Vehicles	Total
Balance as at April 1, 2021	7.97	7.97
Additions	-	-
Disposals	-	-
<b>Balance as at March 31, 2022</b>	<b>7.97</b>	<b>7.97</b>
Balance as at April 1, 2022	7.97	7.97
Additions	-	-
Disposals	-	-
<b>Balance as at March 31, 2023</b>	<b>7.97</b>	<b>7.97</b>

Accumulated depreciation	Property, Plant & Equipment	
	Motor Vehicles	Total
Balance as at April 1, 2021	2.56	2.56
Depreciation / amortisation for the year	0.95	0.95
Disposals	-	-
<b>Balance as at March 31, 2022</b>	<b>3.51</b>	<b>3.51</b>
Balance as at April 1, 2022	3.51	3.51
Depreciation / amortisation for the year	0.95	0.95
Disposals	-	-
<b>Balance as at March 31, 2023</b>	<b>4.46</b>	<b>4.46</b>

Carrying Amount (Net)	Property, Plant & Equipment	
	Motor Vehicles	Total
As at March 31, 2022	4.45	4.45
As at March 31, 2023	3.51	3.51

**Other Notes**

- (a) The Company has neither given nor taken any assets on finance lease.
- (b) Individual assets of Property, Plant and Equipment has been reclassified wherever necessary.
- (c) Estimated useful life of the assets is in line with useful life prescribed in schedule II of The Companies Act, 2013.

**5 Other Non-current financial assets**

Particulars	As at March 31, 2023	As at March 31, 2022
Receivable under Service Concession Agreement	41,397.12	46,448.23
Security Deposits & Retention Money	12.83	11.05
<b>Total</b>	<b>41,409.95</b>	<b>46,459.28</b>

**6 Deferred tax assets/ (Liabilities) (Net)**

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Deferred tax Liabilities</b>		
Excess of depreciation and amortization on fixed assets under income tax law	(0.02)	0.06
Unamortised processing fees & Bank guarantee charges / Net Deferred Income	69.78	75.04
Difference in carrying value and tax base in measurement of financial instrument at amortised cost	2,177.37	-
<b>Less: Deferred Tax Assets</b>		
MAT Credit Entitlement	178.33	178.33
Unabsorbed Business losses	1,003.94	1,671.49
<b>Total</b>	<b>(1,064.87)</b>	<b>1,774.72</b>

**7 Other Non current assets**

Particulars	As at March 31, 2023	As at March 31, 2022
Unamortised Processing Fees	253.06	274.26
<b>Total</b>	<b>253.06</b>	<b>274.26</b>

**8 Trade Receivables**

Particulars	As at March 31, 2023	As at March 31, 2022
Unsecured, considered good	406.52	1,540.16
<b>Total</b>	<b>406.52</b>	<b>1,540.16</b>

8.1 Refer Note 8.1 for Trade receivables ageing schedule for the years ended as on March 31, 2023 and March 31, 2022



(₹ in Lakhs)

Particulars	As at 31 st March,2023					
	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	172.36	-	-	234.16	-	406.52
(ii) Undisputed Trade Receivables – considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade Receivables considered good	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered doubtful	-	-	-	-	-	-

Particulars	As at 31 st March,2022					
	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	1,306.00	-	234.16	-	-	1,540.16
(ii) Undisputed Trade Receivables – considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade Receivables considered good	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered doubtful	-	-	-	-	-	-

**9 Cash and Cash Equivalents**

Particulars	As at March 31, 2023	As at March 31, 2022
<b>(A) Cash and Bank Balance</b>		
(a) Balance with banks*		
- In Current Accounts	3,957.81	87.24
(b) Cash on hand	5.05	0.06
<b>Total (A)</b>	<b>3,962.86</b>	<b>87.30</b>

\* Including balance in Escrow account of Rs. 3,925.14 Lakhs (P.Y. 54.51 Lakhs)

**10 Other Current financial assets**

Particulars	As at March 31, 2023	As at March 31, 2022
Security Deposits & Retention Money	1,862.01	708.52
Interest accrued but not due from related party (Refer Note 28)	-	536.15
Receivable under Service Concession Agreement	11,928.08	9,892.78
<b>Total</b>	<b>13,790.09</b>	<b>11,137.45</b>

**11 Current tax assets (Net)**

Particulars	As at March 31, 2023	As at March 31, 2022
Current tax assets (Net)	25.08	15.98
<b>Total</b>	<b>25.08</b>	<b>15.98</b>

**12 Other Current assets**

Particulars	As at March 31, 2023	As at March 31, 2022
Balance with Government authorities	4,904.80	5,905.25
Prepaid Expenses	93.49	97.02
Unamortised Processing Fees	24.20	23.89
Other Bank Balance	2.77	-
<b>Total</b>	<b>5,025.26</b>	<b>6,026.16</b>

**13 Equity Share capital**

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Authorised:</b>		
3,40,00,000 (P.Y. 3,40,00,000) equity shares of Rs.10 Each	3,400.00	3,400.00
<b>Issued, Subscribed &amp; fully Paid up :</b>		
3,40,00,000 ( P.Y. 3,40,00,000) equity shares of Rs.10 Each fully paid up	3,400.00	3,400.00
<b>Total</b>	<b>3,400.00</b>	<b>3,400.00</b>

(₹ in Lakhs)

(a) Reconciliation of the shares outstanding at the end of the reporting period :

Particulars	As at March 31, 2023	As at March 31, 2022
Equity Shares at the beginning of the year (In Number)	3,40,00,000	3,40,00,000
Add: Issued during the year	-	-
<b>Equity Shares at the end of the year (In Number)</b>	<b>3,40,00,000</b>	<b>3,40,00,000</b>

Particulars	As at March 31, 2023	As at March 31, 2022
Equity Shares at the beginning of the year (In Amount)	34,00,00,000	34,00,00,000
Add: Issued during the year	-	-
<b>Equity Shares at the end of the year (In Amount)</b>	<b>34,00,00,000</b>	<b>34,00,00,000</b>

(b) Rights of Shareholders:

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled for one vote per share. In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive remaining assets of the Company after distribution to all preferential amounts if any. The distribution will be in proportion to the Number of Equity shares held by the share holders.

(c) Shares held by holding company and its subsidiaries

Particulars	% of Holding as at March 31, 2023	As at March 31, 2023	As at March 31, 2022
<b>Equity Shares</b>			
<b>Holding Company</b>			
3,40,00,000 (P. Y. 3,40,00,000)equity shares are held by Patel Infrastructure Limited*	100 (P.Y. 100)	3,400.00	3,400.00

\* Including Nominee Shareholder

(d) Share holding of promoters:

The details of the shares held by promoters as at March 31, 2023 are as follows:

Name of Promoter	No. of shares	% of Total Shares	% of change during the year
Patel Infrastructure Limited	3,39,99,999.00	100.00%	NIL
Pravinbhai Patel	1.00	0.00%	NIL

The details of the shares held by promoters as at March 31, 2022 are as follows:

Name of Promoter	No. of shares	% of Total Shares	% of change during the year
Patel Infrastructure Limited	3,39,99,999.00	100.00%	NIL
Pravinbhai Patel	1.00	0.00%	NIL

14 Instruments Entirely Equity in Nature

Particulars	As at March 31, 2023	As at March 31, 2022
Instruments Entirely Equity in Nature	10,234.05	10,084.05
<b>Total</b>	<b>10,234.05</b>	<b>10,084.05</b>

14.1 During the year, the Holding Company invested an additional Rs. 150.00 Lakh (P.Y. 3,995.00 Lakhs) in the form of perpetual unsecured loan. The loan have no maturity/ redemption terms and are repayable at the option of the Company. There is no charge of Interest on these perpetual unsecured loan. As these loan are perpetual in nature and ranked senior only to the share capital of the Company and do not have any redemption obligation, these are considered to be in the nature of Equity.

14.2 For Related party transactions and outstanding balances, Refer Note 28

15 Other Equity

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Retained earnings</b>		
Balance at the beginning of the year	4,313.62	(4,343.27)
Profit/(loss) attributable to owners of the Company	(5,951.05)	8,656.89
<b>Balance at the end of the year</b>	<b>(1,637.43)</b>	<b>4,313.62</b>

16 Long term borrowings

Particulars	As at March 31, 2023	As at March 31, 2022
Secured Term loan from banks	-	15,592.06
Secured Term loan from financial institutions	-	26,617.62
<b>Total</b>	<b>-</b>	<b>42,209.67</b>

16.1 Refer Note no 16.1, 16.2 & 16.3

**16.1 Details of Long-Term/Short term Borrowings**

Sr. No.	Lender	Nature of Facility	Sanction Amount (Rs in Lakhs)	Amount Outstanding as on 31st March, 2023 (Rs. In Lakhs)	Rate of Interest	Repayment / Modification of Terms
1	RBL Bank Limited (RBL)	Term Loan	20,435.00	19,112.19	1 year MCLR of Lead Arranger and applicable Spread	Refer Note Below
2	India Infrastructure Finance Company Limited (IIFCL)	Term Loan	11,000.00	10,369.66	1 year MCLR of RBL bank Plus Spread	Refer Note Below
3	TATA Cleantech Capital Limited (TCCL)	Term Loan	22,500.00	20,734.82	TCCL New Prime Lending Rate (NPLR-LT)	Refer Note Below
<b>Total</b>			<b>53,935.00</b>	<b>50,216.67</b>		

\*The effective / applicable ROI shall be equal to the ROI of the lead arranger

Term Loan facility of Rupee Term Loan of Rs 204.35 Crore has been proposed from RBL with the sub-limit of term loan for Letter of Comfort of Rs 50 Crore and for Mobilization Advance Bank Guarantee Rs. 61.80 Crore.

Term Loan facility of Rupee Term Loan of Rs 110.00 Crore has been proposed from IIFCL with the sub-limit of Letter of Credit of Rs 11.46 Crore for Mobilization Bank Guarantee.

Term Loan facility of Rupee Term Loan of Rs 75.00 Crore has been proposed from TCCL without any sub-limits.

Term Loan facility of Rupee Term Loan of Rs 150.00 Crore has been proposed from PFS without any sub-limits.

**16.2 Repayment / Modification of Terms**

- Above loan have been fully repaid on or before 31.03.24, accordingly classified to short term borrowing.

Notes to the Financial Statements for the year ended on March 31, 2023

**16.3 Nature of Security:-**

Subject to the terms of the Concession Agreement, the Facility together with all Obligations in relation thereto shall be secured, until the Final Settlement Date by the following:

1. First charge, by way of mortgage, in a form and manner satisfactory to the Lenders, on all the immovable properties of the company (including over the freehold interest, leasehold interest or sub-leasehold interest of the company in such properties), both present and future (except the Project Assets);
2. a first charge on all the tangible movable assets of the Borrower, including movable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles and all other movable assets of the company, both present and future (except the Project Assets);
3. a first charge over all the Accounts and all other bank accounts of the company including the Escrow Account and the sub-accounts thereof including the Debt Service Reserve Account (or any account in substitution thereof) that may be opened in accordance with this Agreement, the Escrow Agreement, the Supplementary Escrow Agreement or any of the other Transaction Documents and all funds from time to time deposited therein and all funds of the company, the Project Proceeds and all Permitted Investments, other investments or other securities of the company (including any irrevocable guarantee or fixed deposit maintained by the company in lieu of the Debt Service Reserve Amount), both present and future (except the Project Assets);
4. a first charge on all revenues and receivables of the company, whether or not deposited in the Accounts, the book debts of the company, the operating cash flows of the company and all other commissions and revenues and cash of the company, both present and future (except the Project Assets);
5. a first charge on all current assets and intangible assets of the company, if any, including but not limited to goodwill, rights, undertaking and uncalled capital of the company, both present and future (except the Project Assets);
6. a first charge and assignment, by way of security, in (i) all the rights, title, interests, benefits, claims and demands whatsoever of the company in the Project Documents, both present and future; (ii) the rights, title, interests and benefits of the company in, to and under all the Clearances, to the extent permissible by Applicable Law, both present and future; (iii) all the rights, title, interests, benefits, claims and demands whatsoever of the company in any Letter of Credit, guarantee (including contractor guarantees) and liquidated damages (including Contractual Damages) and performance bond provided by any Project Participant, both present and future; and (iv) all the rights, title, interests, benefits, claims and demands whatsoever of the company under all Insurance Contracts, both present and future (except the Project Assets);
7. assignment, in favour of the Lenders Representative, of the company's rights, title and interest in the Concession (including the right to substitute the company with the Nominated Company), pursuant to the execution of the Substitution Agreement;
8. a pledge of the Pledged Securities; and
9. a pledge/ an assignment / charge of the rights, title and interest of the Promoters and the Sponsor in 51% of the unsecured loans provided by the Promoters and the Sponsor to the Borrower or the 51% of the non-convertible debentures subscribed by the Sponsor and/or the Promoters.
10. Unconditional and irrevocable corporate guarantee from PIL till receipt of first annuity

(₹ in Lakhs)

**17 Other Non current financial liabilities**

Particulars	As at March 31, 2023	As at March 31, 2022
Security And other Deposits from related party (Refer note 28)	-	57.38
<b>Total</b>	<b>-</b>	<b>57.38</b>

**18 Short Term Borrowings**

Particulars	As at March 31, 2023	As at March 31, 2022
Secured-Current maturities of long term borrowings		
- From Banks	19,112.19	890.03
- From Financial Institutions	31,104.48	1,325.40
<b>Total</b>	<b>50,216.67</b>	<b>2,215.44</b>

18.1 Refer Note no 16.1, 16.2 & 16.3

**19 Trade Payables**

Particulars	As at March 31, 2023	As at March 31, 2022
(a) Dues to Micro and Small Enterprises (Refer Note 19.2)	-	-
(b) Dues to Others	910.77	3,824.15
<b>Total</b>	<b>910.77</b>	<b>3,824.15</b>

**19.1** Trade Payable are payable on account of goods purchased and services availed in the normal course of business.

**19.2** Under the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED) which came into force from 2 October 2006, certain disclosures are required to be made relating to Micro, Small and Medium enterprises. On the basis of the information and records available with the Management, there are no Micro, Small and Medium Enterprises, to whom the Company owes dues (including interest on outstanding dues) which are outstanding as at balance sheet date.

**19.3** For Related party transactions and outstanding balances, Refer Note 28

**19.4** Fair value of trade payables are not materially different from the carrying value presented.

**19.5** Refer Note 19.5 for Trade payables ageing schedule for the years ended as on March 31, 2023 and March 31, 2022

**26 Finance Costs**

Particulars	Year ended March 31,2023	Year ended March 31,2022
Interest on Mobilisation advance	-	311.98
Interest on Borrowing	4,230.78	3,365.84
Other Borrowing Cost	159.36	138.59
<b>Total</b>	<b>4,390.14</b>	<b>3,816.41</b>

**27 Other Expenses**

Particulars	Year ended March 31,2023	Year ended March 31,2022
Audit Fees	2.75	2.25
Legal and Professional Charges	25.08	28.32
Independent Engineer Fees	137.87	143.98
Insurance	101.93	95.04
Rates and Taxes	0.72	0.88
Stationery & Printing Expenses	0.01	-
Travelling and Conveyance	-	0.49
Electricity Expenses	178.78	54.34
Lender Fees	10.60	8.11
Telephone & Communication	1.47	-
Membership Fees	0.19	-
Damages claim	7.56	-
Misc. Exps	1.15	0.28
<b>Total</b>	<b>468.11</b>	<b>333.69</b>

**27.1 Payment to auditors**

Particulars	Year ended March 31,2023	Year ended March 31,2022
For Statutory Audit	2.75	2.25
<b>Total</b>	<b>2.75</b>	<b>2.25</b>

(₹ in Lakhs)

Particulars	As at 31 st March,2023				
	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-
(ii) Others	664.16	3.51	235.00	8.10	910.77
(iii) Disputed dues-MSME	-	-	-	-	-
(iv) Disputed dues-Others	-	-	-	-	-

(₹ in Lakhs)

Particulars	As at 31 st March,2022				
	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-
(ii) Others	3,471.43	236.68	116.03	0.01	3,824.15
(iii) Disputed dues-MSME	-	-	-	-	-
(iv) Disputed dues-Others	-	-	-	-	-



(₹ in Lakhs)

**20 Other current financial liabilities**

Particulars	As at March 31, 2023	As at March 31, 2022
Security Deposits & Retention Money from related party	213.64	728.60
Due to employees	0.36	0.86
<b>Total</b>	<b>214.00</b>	<b>729.46</b>

**20.1** For Related party transactions and outstanding balances, Refer Note 28

**21 Other current liabilities**

Particulars	As at March 31, 2023	As at March 31, 2022
Statutory Dues payables	468.34	480.93
Other Payable	5.06	5.06
<b>Total</b>	<b>473.40</b>	<b>485.99</b>

**22 Revenue from Operations**

Particulars	Year ended March 31,2023	Year ended March 31,2022
<b>(a) Revenue from Sale of Services</b>		
Revenue from Construction Services	14,343.50	21,788.37
Revenue from Utility Shifting work	234.24	114.93
Revenue from Change of Scope	-	996.33
<b>(b) Other Operating Revenue</b>		
Finance Income on financial assets carried at amortised cost	-	11,367.27
<b>Total</b>	<b>14,577.74</b>	<b>34,266.90</b>

**23 Other Income**

Particulars	Year ended March 31,2023	Year ended March 31,2022
<b>Interest on Financial Asset carried at amortized cost</b>		
Interest on Security and Other Deposits (Refer note 28)	-	5.05
Interest on Fixed deposits	23.06	4.55
Interest on Mobilisation advance	-	155.87
Interest Recovery on Escalation	90.49	-
Interest on Income tax refund	0.91	0.46
Misc. Income	0.07	0.12
<b>Total</b>	<b>114.53</b>	<b>166.05</b>

**24 Construction Expenses**

Particulars	Year ended March 31,2023	Year ended March 31,2022
Civil Sub-Contract Charges	4,138.52	21,311.97
Civil Utility Charges	239.74	114.93
Civil Work of Change of Scope	-	996.33
Operation & Maintenance expense	303.13	-
<b>Other Operating Expenses</b>		
Finance expense on financial assets carried at amortised cost	8,260.59	-
<b>Total</b>	<b>12,941.98</b>	<b>22,423.23</b>

**24.1** For Related party transactions and outstanding balances, Refer Note 28

**25 Employee Benefits Expenses**

Particulars	Year ended March 31,2023	Year ended March 31,2022
Salaries, Wages and Incentives	2.56	4.12
<b>Total</b>	<b>2.56</b>	<b>4.12</b>

**25.1** For Related party transactions and outstanding balances, Refer Note 28

**28 Related Party Disclosures and Transactions:**

Following is the list of related parties with whom the Company has entered into transactions:

Particulars	For the year ended	For the year ended
	March 31, 2023	March 31, 2022
<b>Holding Company</b>	Patel Infrastructure Limited	Patel Infrastructure Limited
<b>Fellow Subsidiaries</b>	Patel Bridge Nirman Private Limited Patel Highway Management Private Limited Patel Hospitality Private Limited Patel Cholopuram-Thanjavur Highway Private Limited Patel Shethiyahopu Cholapuram Highway Private Limited Patel Vadodara-Kim Expressway Private Limited	Patel Bridge Nirman Private Limited Patel Highway Management Private Limited Patel Hospitality Private Limited Patel Cholopuram-Thanjavur Highway Private Limited Patel Shethiyahopu Cholapuram Highway Private Limited Patel Vadodara-Kim Expressway Private Limited
<b>Key Management Personnel (KMP)</b>	Pravinbhai Patel - Director Arvindbhai Patel - Director Madhubhai Vaviya- Director Hiral Gediya- Company Secretary	Pravinbhai Patel - Director Arvindbhai Patel - Director Madhubhai Vaviya- Director Hiral Gediya- Company Secretary
<b>Enterprises over which KMP and/or Relatives of KMP are able to exercise significant Influence</b>	V G Patel Foundation Swan Medicot LLP Patel Texcot Private Limited The Trillium Patel Structural Private Limited SPG Infracon Pvt. Ltd. Road Shield Pvt Ltd Solucio Infra Solutions Pvt. Ltd. Patcon Infra Pvt Ltd Osat Pharma India LLP (w.e.f. 16.01.23)	V G Patel Foundation Swan Medicot LLP Patel Texcot Private Limited The Trillium Patel Structural Private Limited SPG Infracon Pvt. Ltd. Road Shield Pvt Ltd Solucio Infra Solutions Pvt. Ltd. Patcon Infra Pvt Ltd -

**Related Party Transactions during the year:**

Particulars	Year ended March 31, 2023	Year ended March 31, 2022
<b>Sub-ordinate Loan Received during the year</b> Patel Infrastructure Limited	150.00	-
<b>Mobilisation Advance Released during the year</b> Patel Infrastructure Limited	-	593.84
<b>Security deposit retained during the year</b> Patel Infrastructure Limited	136.31	816.82
<b>Security deposit released during the year</b> Patel Infrastructure Limited	708.66	431.51
<b>Interest Income on Mobilisation Advance</b> Patel Infrastructure Limited	-	155.87
<b>Interest Income on Security and Other Deposits</b> Patel Infrastructure Limited	-	5.05
<b>Bank Guarantees given during the year</b> Patel Infrastructure Limited	598.65	363.79
<b>Bank Guarantees released during the year</b> Patel Infrastructure Limited	-	1,761.82
<b>Civil Sub-Contract Charges</b> Patel Infrastructure Limited	4,138.52	21,311.97
<b>Civil Utility Charges</b> Patel Infrastructure Limited	239.74	114.93
<b>Civil Work of Change of Scope</b>		

(₹ in Lakhs)

28 Related Party Disclosures and Transactions:

Following is the list of related parties with whom the Company has entered into transactions:

Patel Infrastructure Limited	-	996.33
<b>Operation &amp; Maintenance Expense</b>		
Patel Infrastructure Limited	303.13	-
<b>Salary paid to Key Managerial Personnel</b>		
Hiral Gediya	2.56	3.20

Patel Darah-Jhalawar Highway Private Limited

CIN:U45201GJ2017PTC099499

Notes to the Financial Statements for the year ended on March 31, 2023

(₹ in Lakhs)

**28 Related Party Disclosures and Transactions:**

Following is the list of related parties with whom the Company has entered into transactions:

**Outstanding balance of Related Party Transactions:**

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Closing balance of Sub-ordinate Loan Received</b>		
Patel Infrastructure Limited	10,234.05	10,084.05
<b>Trade Payables</b>		
Patel Infrastructure Limited	879.61	3,793.35
<b>Interest receivable on Mob advances</b>		
Patel Infrastructure Limited	-	536.15
<b>Security deposit</b>		
Patel Infrastructure Limited	223.77	796.11
<b>Bank Guarantees</b>		
Patel Infrastructure Limited	1,554.69	956.04
<b>Salary Payable to Key Managerial Personnel</b>		
Hiral Gediya	0.31	0.79
<b>Bonus Payable to Key Managerial Personnel</b>		
Hiral Gediya	0.04	0.07

#	Particulars	Numerator	Denominator	For the year ended March 31, 2023	For the year ended March 31, 2022	% Variance	Reason for variance
a.	Current Ratio,	Current Assets	Current Liabilities	0.45	2.59	-83%	Due Borrowing reclassified from non current to current
b.	Debt-Equity Ratio,	Total Debt #1	Shareholders Equity	4.19	2.50	68%	Due to favourable change in Shareholders equity resulting from the favourable change in Retained earnings.
c.	Debt Service Coverage Ratio	Earnings available for Debt service #2	Debt Service #3	0.18	3.06	-94%	Due to change in Finance costs resulting from the change in financial assets.
d.	Return on Equity Ratio	Net Profit after taxes	Average Shareholder's equity	(0.40)	0.64	-162%	Due to major impact on reduction in income during the year, resulting to reduction in Shareholding equity.
e.	Inventory turnover Ratio	Revenue from OpeRations #6	Average Inventory	N.A.	N.A.	N.A.	N.A.
f.	Trade Receivables turnover Ratio	Revenue from OpeRations #6	Average Trade Receivables	14.98	38.63	-61%	Major reduction in Trade Receivables and Work income as compared to Last year.
g.	Trade payables turnover Ratio	Construction Expenses	Average Trade Payables	5.47	7.93	-31%	Major reduction in Trade Payables and Construction expenses as compared to Last year.
h.	Net capital turnover Ratio (Net working capital turnover Ratio)	Revenue from OpeRations #6	Average Working Capital	(1.71)	2.25	-176%	Major reduction in Trade Payables and Work income as compared to Last year.
i.	Net profit Ratio	Net Profit	Revenue from OpeRations #6	(0.41)	0.25	-262%	Due to major reduction in income during the year, the Ratio impacted.
j.	Return on Capital employed	Earning before interest and taxes	Capital Employed #5	0.10	0.19	-50%	Due to change in Finance costs resulting from the change in financial assets.
k.	Return on investment (ROI)	Current Value of Investment	Average Cost of Investment	N.A.	N.A.	N.A.	N.A.

**Notes**

#1 Debt represents all liabilities

#2 Earnings available for Debt service represents Profit Before Tax + Finance Cost + Depreciation

#3 Debt Service represents Interest + Principal Repayment

#4 Net gain on Investment represents Realized and unrealized gain during the year

#5 Capital Employed represents Equity and Non current liabilities (excluding provisions)

#6 Revenue from OpeRations represents sale of service.

Patel Darah-Jhalawar Highway Private Limited  
Notes to the Financial Statements for the year ended on March 31, 2023  
Note 30 : Movement in Deferred tax Assets/ Liabilities

(₹ in Lakhs)

A. Amount Recognised in Profit and Loss

Particulars	As at March 31,2023	As at March 31,2022
<b>Deferred tax:</b>		
Relating to origination and reversal of temporary differences	2,172.03	(8.22)
Carried forward tax losses	667.55	(794.12)
<b>Total</b>	<b>2,839.58</b>	<b>(802.34)</b>

B. Reconciliation of effective tax rate

Particulars	As at March 31,2023	As at March 31,2022
Accounting profit before tax	(3,111.47)	7,854.55
Applicable Income tax rate	25.17%	25.17%
Computed expected tax expense	(783.09)	1,976.83
Effect of expense not allowed for tax purpose	5,262.76	78.15
Effect of expense allowed for tax purpose	(88.25)	(1.49)
Effect of carried forward losses	667.55	(794.12)
Tax effect due to non-taxable income for tax purposes	(4,391.43)	(2,053.50)
Effects of reversal of deferred tax assets recognised earlier	2,172.03	(8.22)
<b>Total</b>	<b>2,839.58</b>	<b>(802.34)</b>
<b>Income tax expense reported in the statement of profit and loss</b>	<b>2,839.58</b>	<b>(802.34)</b>

C. Recognized deferred tax assets and liabilities

Particulars	Balance as at March 31, 2022	Recognized in profit or loss during 2022-23	Recognized in OCI during 2022-23	Balance as at March 31, 2023
<b>Deferred tax Liabilities</b>				
Excess of depreciation and amortization on fixed assets under income tax law over depreciation and amortization provided in accounts	0.06	(0.08)	-	(0.02)
Unamortised processing fees & Bank guarantee charges	75.04	(5.26)	-	69.78
Unamortised processing fees & Bank guarantee charges / Net Deferred Income	-	2,177.37	-	2,177.37
<b>Less: Deferred Tax Assets</b>				
Unabsorbed Business loss	1,671.49	(667.55)	-	1,003.94
MAT Credit Entitlement	178.33	-	-	178.33
<b>Total</b>	<b>1,774.72</b>	<b>(2,839.58)</b>	<b>-</b>	<b>(1,064.87)</b>

**31 Financial Instruments and Fair Value Measurement**

**A Categories of Financial Instruments**

(₹ in Lakhs)

Particulars	Amount as at March 31, 2023			
	FVTPL	FVTOCI	Amortised Cost	Total
<b>Financial assets</b>				
(i) Trade Receivables	-	-	406.52	406.52
(ii) Cash and cash equivalents	-	-	3,962.86	3,962.86
(iii) Other financial assets	-	-	55,200.04	55,200.04
<b>Total</b>	-	-	<b>59,569.42</b>	<b>59,569.42</b>
<b>Financial liabilities</b>				
(i) Trade payables	-	-	910.77	910.77
(ii) Other financial liabilities	-	-	214.00	214.00
(iii) Long Term Borrowings	-	-	-	-
(iv) Short Term Borrowings	-	-	50,216.67	50,216.67
<b>Total</b>	-	-	<b>51,341.44</b>	<b>51,341.44</b>

Particulars	Amount as at March 31, 2022			
	FVTPL	FVTOCI	Amortised Cost	Total
<b>Financial assets</b>				
(i) Trade Receivables	-	-	1,540.16	1,540.16
(ii) Cash and cash equivalents	-	-	87.30	87.30
(iii) Other financial assets	-	-	57,596.73	57,596.73
<b>Total</b>	-	-	<b>59,224.19</b>	<b>59,224.19</b>
<b>Financial liabilities</b>				
(i) Trade payables	-	-	3,824.15	3,824.15
(ii) Other financial liabilities	-	-	786.84	786.84
(iii) Long Term Borrowings	-	-	42,209.67	42,209.67
(iv) Short Term Borrowings	-	-	2,215.44	2,215.44
<b>Total</b>	-	-	<b>49,036.10</b>	<b>49,036.10</b>

**B Capital Management**

- (i) For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The Company strives to safeguard its ability to continue as a going concern so that they can maximize returns for the shareholders and benefits for other stake holders. The Company aims to maintain an optimal capital structure through combination of debt and equity in a manner so as to minimize the cost of capital.
- (ii) Consistent with others in the industry, the Company monitors its capital using Gearing Ratio, Net Debt (Short Term and Long Term Borrowings including Current maturities) divided by Total Equity (Capital plus Net Debt).

(₹ in Lakhs)

Particulars	As at March 31, 2023	As at March 31, 2022
Long Term Borrowings	-	42,209.67
Short Term Borrowings	50,216.67	2,215.44
Less: Cash & Cash Equivalents	3,962.86	87.30
<b>Net Debt</b>	<b>46,253.81</b>	<b>44,337.81</b>
Total equity	11,996.62	17,797.67
<b>Total Capital</b>	<b>11,996.62</b>	<b>17,797.67</b>
<b>Gearing Ratio (In times)</b>	<b>3.86</b>	<b>2.49</b>

- (ii) In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the borrowings that define the capital structure requirements.

### C Financial risk management objectives and policies

The Company's principal financial liabilities comprise trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to support its operations. The Company's financial assets include cash & cash equivalents that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Company's senior management is supported by a Current Corporate Affairs Committee that advises on financial risks and the appropriate financial risk governance framework for the Company. This committee provides assurance to the Company's senior management that the Company's financial risk activities are governed by appropriate policies and procedure and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each risk, which are summarised as below:

### 32 Financial Instruments and Fair Value Measurement: (Cont...)

#### 1 Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of interest rate risk, foreign currency risk and commodity risk.

##### 1.1 Interest Rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's working capital obligations with floating interest rates. The Company is carrying its working capital borrowings primarily at variable rate. The Company expects the variable rate to decline, accordingly the Company is currently carrying its loans at variable interest rates.

Particulars	As at March 31, 2023	As at March 31, 2022
<b>Financial Liabilities:</b>		
a) Variable Rate Borrowings (₹ in Lakhs)	50,216.67	44,425.11
% change in interest rates	0.50%	0.50%
Impact on Profit for the year ( ₹ in Lakhs)	251.08	222.13

##### 1.2 Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company does not have exposure in foreign currency.

##### 1.3 Commodity Risk

The Company is affected by price volatility of certain commodities. Its operating activities require the on-going purchase or continuous supply of such commodities. There the Company monitors its purchases closely to optimize the prices.

#### 2 Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is having majority of the receivables from Government Authorities and hence they are secured from credit losses in the future.



### 3 Liquidity Risk

The Company monitors its risk of a shortage of funds by estimating the future cash flows. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, cash credit facilities and bank loans. The Company has access to a sufficient variety of sources of funding. The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

(₹ in Lakhs)				
Particulars	Within 1 Year	2 to 5 Year	More than 5 Year	Carrying Amount
<b>As at March 31, 2023</b>				
Borrowings	50,216.67	-	-	<b>50,216.67</b>
Trade Payables	910.77	-	-	<b>910.77</b>
Other Financial Liabilities	214.00	-	-	<b>214.00</b>
<b>As at March 31, 2022</b>				
Borrowings	2,215.44	9,927.64	32,282.03	<b>44,425.10</b>
Trade Payables	3,824.15	-	-	<b>3,824.15</b>
Other Financial Liabilities	729.46	57.38	-	<b>786.84</b>

### 33 Earning Per Share

Particulars	Units	Year ended March 31, 2023	Year ended March 31, 2022
Profit/ (Loss) after tax	₹ in Lakhs	(5,951.05)	8,656.89
Weighted average number of shares outstanding during the year	In Nos.	3,40,00,000	3,40,00,000
Basic and Diluted Profit/(Loss) per share	₹	(17.50)	25.46

### 34 Segment Reporting

The Operating segment of the company is identified to be "DBFOT" or "Hybrid Annuity", as the Chief Operating Decision Maker (CODM) reviews business performance at an overall company level as one segment and hence, does not have any additional disclosures to be made under Ind AS 108 Operation Segments. Further, the company also primarily operates under one geographical segment namely India.

### 35 Disclosures as required by Appendix E of Ind AS 115 relating to "Service Concession Arrangements: Disclosures"

#### (i) Description and classification of the arrangement

The Company has entered into Concession Agreement ('CA') with National Highway Authority of India (NHAI) dated November 16, 2017 for the purpose of construction of 4 lane road on NH-12 (new NH- 52) from km 299.000 to km 346.540 (approximately 48.880 km) in the state of Rajasthan by Four-Laning thereof on Design, Built, Operate and Transfer ("DBOT Annuity" or "Hybrid Annuity") basis. As per the CA, NHAI grants to the Company exclusive right, license and authority to construct, operate and maintain the project during the Construction Period of 910 days and Operation Period of 15 years commencing from COD.

**(II) Significant Terms of the Arrangements**

**(a) Bid Project Cost:-**

The cost of the construction of the project which is due and payable by NHAI as on the Bid date is considered as the bid project cost under the concession agreement. The bid project cost has been finalised as ₹ 1,12,363 Lakhs as at the bid date. Bid project cost is inclusive of the cost of construction, interest during construction, working capital, physical contingencies and all other costs including adjustment of Price Index Multiple, expenses and charges for and in respect of the construction of the project.

**(b) Adjusted Bid Project Cost:-**

The Bid Project Cost adjusted for variation between the price index occurring between the reference index date preceeding the bid date and the reference index date immediately preceeding the appointed date shall be deemed to be the Bid Project Cost at commencement of Construction.

**(c) Payment of Bid Project Cost:-**

40% of the Bid Project Cost, adjusted for the Price Index Multiple, shall be due and payable to the company in 5 equal instalments of 8% each during the Construction Period in accordance with the provisions of Clause 23.4 of the SCA.

The remaining Bid Project Cost, adjusted for the Price Index Multiple, shall be due and payable in 30 biannual instalments commencing from the 180th day of COD in accordance with the provision of Clause 23.6 of the SCA.

Interest shall be due and payable on the reducing balance of Completion Cost at an interest rate equal to the applicable Bank Rate plus 3%. Such interest shall be due and payable biannually along with each instalment specified in Clause 23.6.3 of SCA.

**(d) Bonus on early completion:-**

The SCA also provides for the payment of Bonus to the company in the event the COD is achieved on or more than 30 days prior to the schedule completion date. The schedule completion date of the construction is October 13, 2020.

**(e) Operation & Maintenance Payments:-**

All Operation and Maintenance expenditure shall be borne by the company. However, as provided in SCA, the company shall be entitled to receive lump sum financial support in the form of biannual payments by the NHAI, which shall be computed on the amount quoted in the O&M bid. Each instalment of O&M payment shall be the product of the amount determined in accordance with the terms of the SCA and the price index multiple on the reference index date preceding the due date of payment thereof.

**(f) Escrow Account:-**

In terms of the SCA, the company shall enter into an Escrow Agreement, substantially in the form set forth in schedule 'O' of the SCA, with NHAI, Escrow bank and senior lenders and shall establish Escrow Account with the Escrow bank. The company also require to deposit and made withdrawals as described in the Escrow Agreement. Accordingly, the company has entered into an Escrow agreement with the RBL Bank Ltd and NHAI.

**(g) Restriction on assignment and charges:-**

In terms of the SCA the company shall not assign, transfer or dispose of all or any rights and benefits under SCA or create any encumbrances thereto except with prior consent of NHAI.

**(h) Changes to the Concession during the period**

There has been no change in the concession arrangement during the year.

**(i) Classification of the Concession**

The Company has applied the principles enumerated in Appendix E of Ind AS – 115 titled “Service Concession Arrangement” and has classified the arrangement as a Financial Asset resulting in recognition of an Financial Asset. Revenue is recognised during the construction period as revenue from construction services as well as financial income.

**(III) INDAS 115 "Revenue from Contracts with Customers"**

As per Ind AS-115 “Revenue from Contracts with Customers”, if the amount due from grantor (i.e. Financial Asset) is measured at amortised cost, Ind AS 109 ‘Financial Instruments’ requires recognition of interest income calculated using effective interest method (i.e. EIR) in profit or loss account. EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the company estimates the expected cash flows by considering all the contractual terms of the financial instrument.

Accordingly, finance expense of Rs. 8,260.59 Lakhs have been recognized using EIR & as against actual interest income on annuity received from NHAI as per service concession agreement of Rs. Nil Lakhs. Such accounting treatment is in consonance with requirement laid by Ind AS-115.

**1 Disaggregation of Revenue**

**(a) Based on type of Services**

(₹ in Lakhs)

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Contract Price	14,020.81	21,615.48
<b>Adjustments for:</b>		
Price variations	556.93	1,284.15
<b>Revenue from Contracts</b>	<b>14,577.74</b>	<b>22,899.63</b>

**2 Movement of Contract Balances**

**(i) Advance from Customers**

	For the year ended March 31, 2023	For the year ended March 31, 2022
Opening Balance	-	1,187.68
Advance Adjusted / Recovered	-	1,187.68
Closing Balance	-	-

**(ii) Financial Asset**

	For the year ended March 31, 2023	For the year ended March 31, 2022
Opening Balance	56,341.01	36,225.43
Recognised during the year	6,472.18	33,155.65
Receipt during the year	9,487.99	13,040.08
Closing Balance	<b>53,325.20</b>	<b>56,341.01</b>

**Patel Darah-Jhalawar Highway Private Limited**  
**Notes to the Financial Statements for the year ended on March 31, 2023**

- 36**      There is NIL contingent liabilities and NIL capital commitments as at the year end.
- 37**      No subsequent event have been observed which may required an adjustment on the Balance Sheet date.
- 38**      Previous year figures have been regrouped/ reclassified wherever required.

**As per our report of even date**  
**For Manubhai & Shah LLP**  
**Chartered Accountants**  
**ICAI Firm Reg. No. - 106041W/W100136**

**For and on behalf of Board of Directors of**  
**Patel Darah-Jhalawar Highway Private Limited**

**Partner**  
**Membership No.: 100116**

<b>Pravinbhai V. Patel</b>	<b>Arvind V. Patel</b>
<b>Director</b>	<b>Director</b>
<b>DIN- 00008911</b>	<b>DIN- 00009089</b>

**Hiral Gediya**  
**Company Secretary**  
**ICSI Membership No.: A48107**

**Place: Ahmedabad**  
**Date: August 31 , 2023**

**Place: Vadodara**  
**Date: August 31 , 2023**