



# Late Shri Vithalbhai G. Patel (Founder)

We were founded in 1972, by the late Sh. Vithalbhai Gobarbhai Patel, as a partnership firm named as Patel Construction Company and were formally incorporated as a Private Limited Company in 2004. We are promoted and managed by Sh. Pravinbhai Vithalbhai Patel, Chairman, Sh. Arvind Vithalbhai Patel, Managing Director and our Whole Time Directors, Sh. Dineshbhai Pragjibhai Vaviya, Sh. Madhubhai Pragjibhai Vaviya and Sh. Sureshbhai Pragjibhai Vaviya.

We are an established construction, development and maintenance service company mainly involved in the business framework of construction of roads and highways, bridges, irrigation and mining projects, construction of commercial buildings, and other ancillary services like toll collection, operation and maintenance of highways.



## **BOARD OF DIRECTORS**



Mr. Pravinbhai Vithalbhai Patel Chairman & Whole-Time Director



Mr. Arvind Vithalbhai Patel Managing Director



Mr. Dineshbhai Pragjibhi Vaviya
Whole-Team Director



Mr. Madhubhai Prajibhai Vaviya
Whole-Time Director



**Mr. Sureshbhai Pragjibhai Vaviya** Whole-Time Director



Mr. Harcharansingh Pratapsingh Jamdar Indeoendent Director



Mr. Sandipa Anilkumar Sheth Independent Director



Mr. Mehulkumar Dineshbhai Patel Independent Director



Mr. Hemantkumar Jayantilal Patel Independent Director



Ms. Deepti Sharma Independent Director



GCA AWARDS 2019
CONTRACTOR OF THE YEAR -2019



JURY'S RECOMMENDED AWARDS TO V.S. HOSPITAL PROJECT, AHMEDABAD

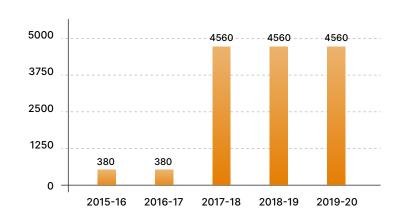


SPECIAL RECOGNITION AWARD FOR ICI-ULTRATECH OUTSTANDING STRUCTURE AWARD 2020

### FINANCIAL PERFORMANCE CHART

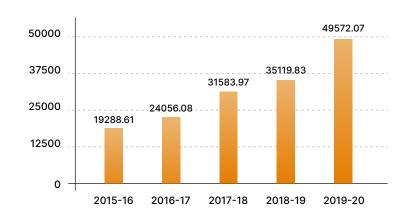
## Paid up Capital (Rs. In Lacs)

FINANCIAL YEARS	PAID UP CAPITAL (Rs. In Lacs)
2015-16	380
2016-17	380
2017-18	4560
2018-19	4560
2019-20	4560



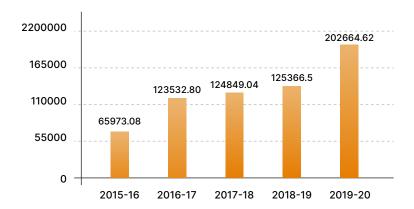
## Reserve & Surplus (Rs. In Lacs)

FINANCIAL YEARS	REASERVE & SURPLUS (Rs. In Lacs)
2015-16	19,288.61
2016-17	24,056.08
2017-18	31,583.97
2018-19	35,119.98
2019-20	49,572.07



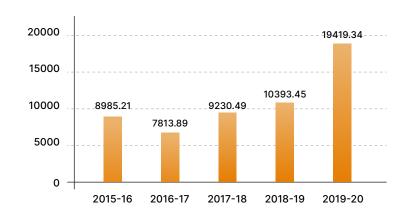
### Turnover (Rs. In Lacs)

FINANCIAL YEARS	TURNOVER (Rs. In Lacs)
2015-16	65,973.08
2016-17	1,23,532.57
2017-18	1,24,849.04
2018-19	1,25,366.50
2019-20	2,02,664.62



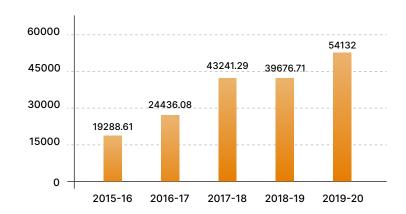
## Profit Before Tax (Rs. In Lacs)

FINANCIAL YEARS	PROFIT BEFORE TAX (Rs. In Lacs)
2015-16	8,985.21
2016-17	7,813.89
2017-18	9,239.49
2018-19	10,393.45
2019-20	19,419.34



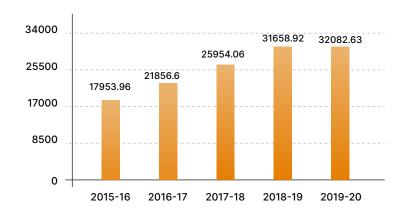
## Net Worth (Rs. In Lacs)

FINANCIAL YEARS	<b>NET WORTH</b> (Rs. In Lacs)
2015-16	19,288.61
2016-17	24,436.08
2017-18	43,241.29
2018-19	39,676.71
2019-20	54,132.00



### Gross Block (Rs. In Lacs)

FINANCIAL YEARS	GROSS BLOCK (Rs. In Lacs)
2015-16	17,953.96
2016-17	21,856.60
2017-18	25,954.06
2018-19	31,658.92
2019-20	32,082.63



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#### **CORPORATE GENERAL INFORMATION**

#### **BOARD OF DIRECTORS**

Mr. Pravinbhai Vithalbhai Patel Chairman & Director

Mr. Arvind Vithalbhai Patel Managing Director

Mr. Dineshbhai Pragjibhai Vaviya Whole Time Director

Mr. Madhubhai Pragjibhai Vaviya Whole Time Director

Mr. Sureshbhai Pragjibhai Vaviya Whole Time Director

Mr. Harcharansingh Pratapsingh Jamdar Independent Director

Mr. Hemantkumar Jayantilal Patel Independent Director

Mr. Mehulkumar Dineshbhai Patel Independent Director

Mr. Sandip Anilkumar Sheth Independent Director

Ms. Deepti Sharma Independent Director

#### **OTHER KEY PERSONNELS**

Jay P. Patel

Director - Technical

Krunal A. Patel

Director - Strategic Business Development

Parth A. Patel

Director - Commercial

Krishna D. Vaviya

Director - Edifice Constructions Business

#### **CHEF FINANCIAL OFFICER**

Mr. Prahlad Rai Mundra

#### **COMPANY SECRETARY**

Mr. Aswini Kumar Sahu

#### **AUDITORS**

M/s. Surana Maloo & Co, Chartered Accountants, Ahmedabad (Statutory Auditors)

M/s. Sunil Mulchandani & Associates, Company Secretaries, Ahmedabad (Secretarial Auditors)

M/s. B.R & Associates, Cost Accountants, Ahmedabad (Cost Auditors)

#### **CONSORTIUM BANKING**

Punjab National Bank (Earlier known as Oriental Bank of Commerce) Standard Chartered Bank Bank of Baroda ICICI Bank Ltd.

RBL Bank Ltd.
State Bank of India

#### **DEBENTURE TRUSTEE**

Vistra ITCL (India) Limited

#### **COMMITTEES:**

#### **AUDIT COMMITTEE**

S.No	NAME OF DIRECTOR	CATEGORY
01	Ms. Deepti Sharma	Chairperson
02	Mr. Sandip Anilkumar Sheth	Member
03	Mr. Hemantkumar Jayantilal Patel	Member
04	Mr. Pravinbhai Vithalbhai Patel	Member

#### STAKEHOLDERS RELATIONSHIP COMMITTEE

S.No	NAME OF DIRECTOR	CATEGORY
01	Mr. Sandip Anilkumar Sheth	Chairperson
02	Ms. Deepti Sharma	Member
03	Mr. Madhubhai Pragjibhai Vaviya	Member

#### NOMINATION AND REMUNERATION COMMITTEE

S.No	NAME OF DIRECTOR	CATEGORY
01	Mr. Hemantkumar Jayantilal Patel	Chairperson
02	Mr. Mehulkumar Dineshbhai Patel	Member
03	Mr. Harcharansingh Pratapsingh Jamdar	Member

#### **CORPORATE SOCIAL RESPONSIBILITY COMMITTEE**

S.No	NAME OF DIRECTOR	CATEGORY
01	Mr. Arvind Vithalbhai Patel	Chairperson
02	Mr. Madhubhai Pragjibhai Vaviya	Member
03	Ms. Deepti Sharma	Member

#### **REGISTERED OFFICE:**

#### **Patel Infrastructure Limited**

"Patel House", Beside Prakruti Resort, Chhani Road, Chhani – 391 740, Vadodara, Gujarat , India

CIN: U45201GJ2004PLC043955 Tel.: +91 265 277 6678 , 277 7778

Fax.: +91 265 277 7878 Website: www.patelinfra.com Email: ho@patelinfra.com

#### **REGISTRAR & SHARE TRANSFER AGENT**

#### **Bigshare Services Private Limited**

1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai, Maharashtra, Pincode - 400 072,

Tel.: 022 62638200 | Fax.: 022 62638299 Email : rajeshm@bigshareonline.com

#### **DIRECTOR'S REPORT**

To,

The Members,

#### Patel Infrastructure Limited,

Your directors have pleasure in presenting their **16<sup>th</sup> Annual Report** together with Audited Accounts of the Company and Auditors' Report thereon for the year ended on 31st March, 2020.

#### FINANCIAL SUMMARY/STATE OF COMPANYS' AFFAIRS/RESULTS

The Company's financial performance for the year ended March 31, 2020 with previous figure are summarised hereunder:

	STANDALONE		STANDALONE COI		CONSOLIDA	ONSOLIDATED	
PARTICULARS	2019-20	2018-19	2019-20	2018-19			
Total Income	2,04,506.18	1,26,716.14	2,12,117.97	1,52,336.93			
Total Expenditure	1,85,086.84	1,15,872.69	1,94,919.83	1,38,456.52			
Profit Before exceptional Item and Tax	19,419.34	10,843.45	17,198.14	13,880.40			
Exceptional Item	-	450.00	-	450.00			
Profit Before Tax	19,419.34	10,393.45	17,198.14	13,430.40			
Tax expense:							
- Current Tax	3,346.71	2,188.35	3503.68	2,857.69			
- (Excess)/ Short provision of earlier periods	189.48	(0.42)	182.03	(24.05)			
- Deferred Tax	2,031.55	3135.33	1738.90	2,050.46			
Profit after Tax	13,851.60	5,070.19	11,773.53	8,546.30			
Other Comprehensive income							
Remeasurements of defined benefit (liability /asset income tax related to above item	27.97	(97.81)	27.97	(72.91)			
Income tax related to above items	(9.77)	34.18	(9.77)	25.48			
Other Comprehensive income (net of taxes)	18.20	(63.63)	18.20	(47.43)			
Total Comprehensive income for the year	13,869.80	5,006.56	117,91.73	8,498.87			
Profit Carried to the Balance Sheet	13,851.60	5,070.19	11,773.53	8,546.30			

#### **CURRENT DEVELOPMENT AND FUTURE PROSPECTS**

Your company has achieved a turnover of Rs. 2,02,664.62 Lacs during current financial year against a turnover of Rs. 1,25,366.50 Lacs of the previous year, which is remarkable journey of the Company. The company has earned Rs. 19,419.34 Lacs profit before tax compare to last year profit before tax of Rs. 10,393.45 Lacs.

#### **FINANCIAL AND LIQUIDITY POSITION**

The Company has succeeded in getting the required finance, both short term as well as long term from Oriental Bank of Commerce, ICICI Bank, State Bank of India, Standard Chartered Bank, Punjab National Bank, RBL Bank Limited, Bank of Baroda, Kotak Mahindra Bank Limited, HDFC Bank, Yes Bank, and other financial entities. It has helped the Company maintaining good financial and liquidity position throughout the year. The Board of Director expresses their sincere gratitude towards all banks and financial companies for their unstinted financial support to the Company.

#### SUBSIDIARIES, JOINT VENTURES, AND ASSOCIATES

The Consolidated Financial Statements of the Company and its subsidiaries, Joint Ventures and Associates, prepared in accordance with Indian Accounting Standards notified under the Companies (Indian Accounting Standards) Rules, 2015 ('Ind AS'), forms part of the Annual Report and are reflected in the Consolidated Financial Statements of the Company.

At present company have following SUBSIDIARIES, JOINT VENTURES, and ASSOCIATES:

SR.NO	NAME AND ADDRESSOF COMPANY	HOLDING/SUBSIDIZRY/ASSOCIATE
1	Patel Highway Management Private Limited "PHMPL"	Wholly Own Subsidiary
2	Patel Bridge Nirman Private Limited "PBNPL"	Subsidiary
3	Patel Hospitality Private Limited "PHPL"	Wholly Own Subsidiary
4	Patel Cholopuram-Thanjavur Highway Private Limited "PCTHPL"	Wholly Own Subsidiary
5	Patel Sethiyahopu-Cholopuram Highway Private Limited "PSCHPL"	Wholly Own Subsidiary
6	Patel Darah-Jhalawar Highway Private Limited "PDJHPL"	Wholly Own Subsidiary
7	Patel Vadodara-Kim Expressway Private Limited "PVKEPL"	Wholly Own Subsidiary

Also During the year, the Board of Directors ('the Board') reviewed the affairs of the subsidiaries. In accordance with Section 129(3) of the Companies Act, 2013, we have prepared consolidated financial statements of the Company and all its Subsidiaries, Joint Ventures and Associates, which form part of the Annual Report.

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

The company has prepared consolidated financial statements of the Company and its subsidiaries and a separate statement containing the salient features of financial statement of subsidiaries, joint ventures and associates in Form AOC-1 attached as Annexure - 3 which forms part of this Report. The statement also provides the details of performance, financial positions of each of the subsidiaries.

#### **EXTRACT OF ANNUAL RETURN**

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 31st March, 2020 is annexed herewith as Annexure - 6 and forms part of the Director Report and available on the Company's Website https://www.patelinfra.com.

#### PARTICULAR OF BOARD MEETINGS AND COMMITTEE MEETINGS DURING THE YEAR

TYPE OF MEETING /POSTAL BALLOT /CIRCULAR RESOLUTION, ETC.	NUMBER OF MEETING /CIRCULAR RESOLUTION PASSED, ETC.	DATES OF MEETINGS HELD DURING FINANCIAL YEAR 2019-20
Board Meeting	3(Three)	19.06.2019, 18.09.2019, 27.12.2019
Audit Committee meeting	3(Three)	19.06.2019, 18.09.2019, 27.12.2019
CSR Committee meeting	1(One)	18.09.2019
NRC Committee meeting	1(One)	27.12.1019
Finance Administration And Share	8(Eight)	12.04.2019, 03.05.2019, 08.07.2019,
Transfer Committee "FAS Committee"		17.08.2019, 19.10.2019, 04.12.2019,
of Board of Directors		03.01.2020. 07.03.2020
IPO committee meeting	Nil	-
Separate Meeting of	Nil	-
Independent Directors		
Debenture Issue Committee	4(Four)	19.06.2019, 20.07.2019, 23.07.2019, 13.08.2019
Circular Resolution	Nil	-
	/POSTAL BALLOT /CIRCULAR RESOLUTION, ETC.  Board Meeting  Audit Committee meeting  CSR Committee meeting  NRC Committee meeting  Finance Administration And Share  Transfer Committee "FAS Committee" of Board of Directors  IPO committee meeting  Separate Meeting of Independent Directors  Debenture Issue Committee	/POSTAL BALLOT /CIRCULAR RESOLUTION PASSED, ETC.  Board Meeting 3(Three)  Audit Committee meeting 3(Three)  CSR Committee meeting 1(One)  NRC Committee meeting 1(One)  Finance Administration And Share 8(Eight)  Transfer Committee "FAS Committee" of Board of Directors  IPO committee meeting Nil  Separate Meeting of Nil  Independent Directors  Debenture Issue Committee 4(Four)

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.

#### Note:

- (i) Board Meeting summoned on 24.03.2020 was postponed due to Coronavirus Pandemic and thereafter it was held on 16.06.2020.
- (ii) Audit Committee Meeting summoned on 24.03.2020 was postponed due to Coronavirus Pandemic and thereafter it was held on 16.06.2020.
- (iii) Separate Meeting of Independent Director summoned on 24.03.2020, was postponed due to Covid -19 pandemic and thereafter cancelled due to continue situation of Covid-19. (exemption is given by ministry vide circular dated 24.03.2020 and confirmed that for the financial year 2019-20, if the IDs of a company have not been able to hold such a meeting, the same shall not be viewed as a violation.

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

In accordance with the provisions of section 134 of the Companies Act, 2013, the director state that: (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 KEY MANAGERIAL PERSONNEL**

(a) Changes in Directors and Key Managerial Personnel

Pursuant to Section 152 of the Companies Act, 2013, (i) Mr. Pravinbhai V. Patel (DIN: 00008911) Director of the Company, retires by rotation and being eligible, offers himself for re-appointment at the ensuing Annual General Meeting (ii) Mr. Sureshbhai P. Vaviya (DIN: 00009106) Director of the Company, retires by rotation and being eligible, offers himself for re-appointment at the ensuing Annual General Meeting. There were no other changes in Key Managerial Personnel during the year.

(b) Declaration by a Director(s)/Independent Director(s)

All the Directors have submitted the requisite disclosures/ declarations as required under the relevant provisions of the Companies Act, 2013. Further, All Independent Directors of the Company have given declarations that they meet the criteria of independence as laid down under Section 149 (6) of the Act. In the opinion of the Board, they fulfill the conditions of independence as specified in the Act & the Rules made there under and are independent of the management.

(c) Separate Meeting of Independent Directors

During the year under review, in compliance with the requirements of Section 149 read with Schedule IV of the Companies Act, 2013, a separate meeting of Independent Directors of the Company, without attendance of Non-Independent Directors & members of management, was summoned on 24.03.2020, was postponed due to Covid -19 pandemic and thereafter cancelled due to continue situation of Covid-19. (exemption is given by ministry vide circular dated 24.03.2020 and confirmed that for the financial year 2019-20, if the IDs of a company have not been able to hold such a meeting, the same shall not be viewed as a violation.

#### **COMMITTEES OF BOARD**

Our Company has constituted the following Board committees:

- a. Audit Committee;
- b. Nomination and Remuneration Committee;
- c. Stakeholders Relationship Committee;
- d. Corporate Social Responsibility Committee;
- e. Finance Administration and Share Transfer Committee "FAS COMMITTEE";
- f. IPO Committee .: and
- q. Debenture Issue Committee.

#### a. Audit Committee:

Board has duly constituted Audit Committee as per provisions of Section 177 of the Companies Act, 2013.

The compositions of the audit committee are hereunder:

- 1. Ms. Deepti Sharma Chairperson
- 2. Mr. Sandip Anilkumar Sheth Member
- 3. Mr. Hemantkumar Jayantilal Patel Member
- 4. Mr. Pravinbhai Vithalbhai Patel Member

#### b. Nomination and Remuneration Committee

A committee of the Board has been formed which is named as Nomination and Remuneration Committee which has been entrusted with the task to recommend a policy of the Company on Directors appointment and remuneration, including criteria for determining qualification, positive attributes, independence of a Director and other matters and to frame proper systems for identification, appointment of Directors & KMPs, Payment of Remuneration to them and evaluation of their performance and to recommend the same to the Board from time to time. Nomination and Remuneration Policy of the Company is available on company's website at <a href="http://patelinfra.com/images/policies/Nomination\_Remuneation\_policy.pdf">http://patelinfra.com/images/policies/Nomination\_Remuneation\_policy.pdf</a> and enclosed herewith as Annexure 1.

The Nomination and Remuneration Committee has the following Composition:

- 1. Mr. Hemantkumar Jayantilal Patel Chairman
- 2. Mr. Mehulkumar Dineshbhai Patel Member
- 3. Mr. Harcharansingh Pratapsingh Jamdar Member

#### c. Stakeholders Relationship Committee

In compliance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 20(4) of the SEBI (LODR) Regulations, 2015 the Board has constituted the "Stakeholders' Relationship Committee".

The Committee shall Considering and resolving grievances of shareholders, debenture holders and other security holders, Redressal of grievances of the security holders of our Company, including complaints in respect of allotment of Equity Shares, transfer of Equity Shares, non-receipt of declared dividends, annual reports, balance sheets of our Company, etc.; and, Carrying out any other functions required to be undertaken by the Stakeholders Relationship Committee under applicable laws.

The stakeholders relationship committee currently comprises:

- 1. Mr. Sandip Anilkumar Sheth- Chairperson
- 2. Ms. Deepti Sharma- Member
- 3. Mr. Madhubhai Pragjibhai Vaviya- Member

The total number of complaints received and resolved to the satisfaction of the shareholders during the year under review was Nil. No complaints were pending as on March 31, 2020.

#### d. Corporate Social Responsibility Committee.

Our Corporate Social Responsibility Committee was constituted by a resolution of our Board dated May 1, 2014 and was last reconstituted pursuant to a resolution of our Board dated December 16, 2017. The Corporate Social Responsibility Committee is in compliance with Section 135 of the Companies Act 2013.

The Corporate Social Responsibility Committee currently comprises:

- 1. Mr. Arvind Vithalbhai Patel Chairperson
- 2. Mr. Madhubhai Pragjibhai Vaviya Member
- 3. Ms. Deepti Sharma Member

#### e. Finance Administration and Share Transfer Committee "FAS COMMITTEE"

The Board has constituted Finance Administration and Share Transfer Committee "FAS COMMITTEE" comprising of Mr. Pravinbhai Vithalbhai Patel, Mr. Arvind Vithalbhai Patel, Mr. Dineshbhai Pragjibhai Vaviya, Mr. Madhubhai Pragjibhai Vaviya, Mr. Sureshbhai Pragjibhai Vaviya, Mr. Hemantkuamr Jayntilal Patel w.e.f. 16.12.2017 and any amendment thereto to review banking arrangements, reviews and approves certain short terms and long term loans, investment transaction, and other various day to day operation of the company, etc. as per the authority granted to the said committee. FAS COMMITTEE meets as and when the need to consider any matter assigned to it arises.

#### f. IPO Committee.

The Board of Directors has constituted IPO committee to complete various legal, statutory and procedural formalities, including appointment of various intermediaries, filing the draft red herring prospectus - with Securities and Exchange Board of India - and filing the red herring prospectus - and the prospectus - with SEBI, the relevant stock exchanges, and the Registrar of Companies, Gujarat at Ahmedabad - or any other statutory agencies or relevant authorities as may be required and other matters incidental thereto.

The committee comprising of:

- 1. Mr. Pravinbhai V. Patel, (Chairman),
- 2. Mr. Madhubhai P. Vaviya, (Member)
- 3. Mr. Dineshbhai P. Vaviya, (Member)

#### g. Debenture Issue Committee.

The Board of Directors has constituted "Debenture Issue Committee" w.e.f from June 19, 2019, to complete various legal, statutory and procedural formalities with the Registrar of Companies, Gujarat at Ahmedabad or any other statutory agencies or relevant authorities as may be required and other matters incidental thereto.

The committee comprising of:

- 1. Mr. Pravinbhai V. Patel;
- 2. Mr. Arvind V. Patel
- 3. Mr. Dineshbhai P. Vaviya;
- 4. Mr. Madhubhai P. Vaviya; and
- 5. Mr. Sureshbhai P. Vaviya

#### **AUDITORS**

#### (i) Statutory Auditor

M/s. Surana Maloo & Co., Chartered Accountants (Firm Registration No: 112171W), who is the statutory auditor of your Company, holds office until the conclusion of the 18th AGM to be held in the year 2022, subject to ratification of its appointment at every AGM, if required under law.

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. Surana Maloo & Co. 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, 2019 and ended March 31, 2020 and on recommendation of Board he has appointed for the financial year beginning from April 1, 2020 ended March 31, 2021. 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 2019-20, 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 2019-20 forms part of this Annual Report as Annexure -2.

#### (iv) Internal Auditors

The Board of Directors has appointed M/s. Sharp & Tannan, Chartered Accountants, as Internal Auditors of the Company for the F. Y. 2019-20.

#### PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The provisions of Section 186 of the Companies Act, 2013, with respect to a loan, guarantee or security is not applicable to the Company as the Company is engaged in providing infrastructural facilities which is exempted under Section 186 of the Companies Act, 2013. The details of investment made during the year under review are disclosed in the financial statements.

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

All the Related Party Transactions that were entered into during the financial year were either exempted or in the ordinary course of business on arm's length basis. Same detail has been provided in AOC- 2 attached as Annexure - 4.

#### **DEBENTURE**

Your Company has issued 200 senior, secured, redeemable, non-convertible debentures (NCDs) on June 19, 2019 in dematerialized form on a private placement basis, having face value of Rs. 37,50,000/-(Rupees Thirty Seven Lakh Fifty Thousand only) each aggregating to Rs. 75,00,00,000/- (Rupees Seventy Five Crores only) bearing a coupon rate of 14% p.a. annualized of Series IA Debentures. The said debentures have been issued for maximum tenure of 30 Month.

Your Company has issued 200 senior, secured, redeemable, non-convertible debentures (NCDs) on June 19, 2019 in dematerialized form on a private placement basis, having face value of Rs. 37,50,000/-(Rupees Thirty Seven Lakh Fifty Thousand only) each aggregating to Rs. 75,00,00,000/- (Rupees Seventy Five Crores only) bearing a coupon rate of 14.50% p.a. annualized of Series IB Debentures. The said debentures have been issued for maximum tenure of 42 Month.

Your Company has issued 200 senior, secured, optionally-convertible debentures (OCDs) on June 19, 2019 in dematerialized form on a private placement basis, having face value of Rs. 25,00,000/-(Rupees Twenty Five Lakh only) each aggregating to Rs. 50,00,00,000/- (Rupees Fifty Crores only) bearing a coupon rate of 8% p.a. annualized of Series IB Debentures. The said debentures have been issued for maximum tenure of 48 Month.

Allotment status is herein below:

SR. NO	ISINs	PARTICULARS OF DEBENTURES (RATE OF INTEREST)	ISSUE SIZE OF DEBENTURES	FIRST TRANCHE ALLOTMENT ON 23.07.2019	SECOND TRANCHE ALLOTMENT ON 13.08.2019	AFTER SECONDS ALLOTMENT TOTAL SIZE OF ALLOTMENT OF DEBENTURE
1	INE093W07026	14% secured, unlisted, redeemable, non-convertible debentures. Series IA	75,00.00	46,87.50	5,62.50	52,50.00
2	INE093W07018	14.50% secured, unlisted, redeemable, non-convertible, debentures. Series IB	75,00.00	46,87.50	5,62.50	52,50.00
3	INE093W07034	8% secured, unlisted, optionally, convertible debentures. Series II	50,00.00	31,25.00	3,75.00	35,00.00
		Total	2,00,00.00	1,25,00.00	15,00.00	1,40,00.00

Apart from the above said matter, there are no material changes or commitments affecting the financial position or business activities of the Company between the end of the Financial Year and the date of this Report.

#### **RESERVES**

As per Rule 18(7) of the Companies (Share Capital and Debentures) Rules, 2014, the Company is required to create a Debenture Redemption Reserve for the purpose of redemption of debentures at the rate of 10% of the value of the outstanding debentures. The value of outstanding debenture being Rs. 140 Crores at year ending March 31, 2020, the debenture redemption reserve of Rs. 14 crores had been created and the equivalent amount had been transferred from 'Retained Earnings' to 'Debenture Redemption Reserve.

#### **DIVIDEND**

The Directors have not recommended any dividend for the financial year 2019-20.

#### MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTIG 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. It may be noted that the Company has issued debentures as mentioned herein above separately mentioned in the report.

Also note that due to COVID-19 pandemic government had initially imposed Janata Curfew on 22.03.2020 and subsequent the countrywide lockdown with effect from March 25, 2020 which got extended till June 30, 2020 with certain relaxations in place. As financial year already near to closer, management has not foreseen any adverse effect on the financial position for the F.Y 2019-20.

#### 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. Company has incurred expenditure of Rs. 8630.97 Lacs (P.Y. Rs. 8414.50 Lacs) for the same. Considering the business volume of the Company, the expenses may be considered as reasonable. 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

During the year there is no foreign currency transaction, receivables/payable at the reporting date.

#### **RISK MANAGEMENT POLICY**

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

#### **CSR POLICY**

Corporate Social Responsibility (CSR) Committee consisting of the following members:

- 1. Mr. Arvind V. Patel, Managing Director (Chairman);
- 2. Mr. Madhubhai P. Vaviya, Whole time Director, (Member); and
- 3. Ms. Deepti Sharma, Independent Director (Member).

Members can access the CSR Policy on the website of the Company at: http://patelinfra.com/images/policies/CSR\_Policy.pdf

Further, Report on CSR Activity, CSR Expenditure and Reason for short spending during the year has been provided in annexure- 5 of this Director Report.

#### Also, reason for short spending during the year provided hereinbelow:

The Company is already working on Animal Helpline project thorough its own trust. Company also engaged in many charitable activities through different trusts. During the year Company has identified new projects for which Company has approached government agencies for in-principle clearance. The same was found not viable due to the cost of the land affecting the cost of the project. Hence there was short spending in the CSR as compared to the required budgeted spending.

#### **BOARD EVALUATION**

The Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its various committees. A structured questionnaire was prepared after taking into consideration, inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

#### **DEPOSITS**

The Company has not accepted any deposits from Public.

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

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

#### SIGNIFICATN AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

No significant material orders have been passed by the Regulators or Courts or Tribunals which would impact the going concern status of the Company and its future operations.

#### **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 installed a systems applications and products software ("SAP") based enterprise resource planning system. Your Company has implemented SAP S/4 HANA V 1.4. and SAP is live at our head office and project sites. It connects all the project sites with the corporate office by providing real time information to the top management of the Company.

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, 2020. Further Company has complied with the provisions relating to the constitution of Internal Complaint Committee under the Sexual Harassment of Woman at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The members of the Internal Complaint Committee are Ms. Rupal Dave, Ms. Shivani Shah, Ms. Zarna Patel, Mr. Chetan Patel and Mr. Ankit Shah.

#### **VIGIL MECHANISM**

The Company has established a vigil for directors and employees to report their genuine concerns. The Vigil Mechanism Policy which has been revised by the Board of Directors on its meeting dated December 16, 2017. The Policy is available at http://patelinfra.com/images/policies/WHISTLE\_BLOWER\_POLICY.pdf

All Employees of the Company are eligible to make Protected Disclosures under the Policy. The Protected Disclosures may be in relation to matters concerning the Company or any other Group Company.

All Protected Disclosures should be in writing and can be submitted by hand delivery, courier or by post addressed to

the Chairman of the Audit Committee of the Company. The contact details of the Chairman of the Audit Committee are as under:

By Post: Chairman of Audit Committee, Patel Infrastructure Limited, "Patel House", Beside Prakruti Resort, Chhani Road, Chhani- 391 740, Vadodara, Gujarat, India.

By Email: finncareindia@gmail.com

#### **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.

#### **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:

- i. Transfer any amount to reserves, pursuant to proviso of section 134(3) (j) of Companies Act, 2013 except transfer of Debenture Redemption Reserve as mentioned herein above.
- ii. Issue of equity shares with differential rights as to dividend, voting or otherwise.
- iii. Issue of shares (including sweat equity shares) to employees of the Company under any scheme save and except ESOS referred to in this Report.
- iv. The remuneration or commission receive from any of its subsidiaries by the Managing Director or Whole-time Directors of the Company

#### MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The financial statements have been prepared in compliance with the requirements of the Companies Act 2013, and Indian Accounting Standards issued by the Institute of Chartered Accountants of India. The management accepts responsibility for integrity and the objectivity of these financial statements, as well as various estimates and judgments used therein.

#### A. Results of operations

#### 1. Income

Income for the year ended March 31, 2020 was Rs. 204,506.18 lacs as compared to Rs. 1,26,716.14 lacs of the previous year ended March 2019.

#### 2. Expenditure

	YEAR ENDED	MARCH 31, 2020	YEAR ENDED MARCH 31, 2019			
PARTICULARS	AMOUNT	% TO INCREASE	AMOUNT	% TO INCREASE		
Construction Expenses	1,55,754.79	76.16	90,804.17	71.66		
Employee benefit Expenses	11,291.76	5.52	10,379.19	8.19		
Finance Cost	9,528.25	4.66	6013.35	4.75		
Depreciation	4,091.38	2.00	3783.04	2.99		
Other Expenses	4,305.23	2.10	4892.94	3.86		

#### 3. Profit before tax

The profit before tax of the company amounted to Rs. 19,419.34 Lacs as compared to Rs. 10,393.45 Lacs for the previous year.

#### 4. Profit After tax

The profit after tax of the company amounted to Rs. 13,851.60 Lacs as compared to Rs. 5,070.19 Lacs for the previous year. The decrease is on account of deferred tax adjustments.

#### **B. Financial Condition**

#### 1. Share Capital

	MARCH 31, 2	020	MARCH 31, 2	019
	NUMBER	RS.	NUMBER	RS.
Equity Shares (Paid – up)	4,56,00,000	45,60,00,000	4,56,00,000	45,60,00,000

#### 2. Other Equity

The company's Reserves and Surplus as on March 31, 2020 stood at Rs. 49,572.07 lacs as against Rs. 35,119.83 lacs in the previous year. This increase is on account of profits for the year.

#### 3. Secured Loans

The Secured Loans Rs. 33,735.52 lacs consists of Long term Borrowing, Short Term Borrowing, Current maturities of long term borrowing (Secured) and Interest accrued but not due. These all are from the consortium and other lenders of the Company.

#### 4. Fixed Assets

During the year the company has added Rs. 4,695.82 lacs to its gross block.

#### 5. Trade Receivables

Trade Receivables amounted to Rs. 37,879.91 lacs as at March 31, 2020 as compared to Rs. 27,778.48 lacs as at March 31, 2019. These debtors are considered good and realizable.

#### 6. Cash and Cash Equivalents

SR.NO	NAME AND ADDRESSOF COMPANY	March 31, 2020	March 31, 2019
1	Cash balance (Rs. In lacs)	56.67	30.93
2	Bank balance – current account (Rs. In lacs)	188.10	211.78
3	Bank balance – Cash Credit account (Rs. In lacs)	73.75	Nil
4	Cash in Transit	0.48	Nil
5	Total cash and bank balances (Rs. In lacs)	318.90	242.71
6	Fixed deposits with banks (Rs. In lacs)	4,903.58	5,653.92
7	Fixed Deposit for NCD Maturing within 12 months from reporting date	467.28	Nil
8	Total cash and cash equivalents (Rs. In lacs)	5,689.76	5,896.63
9	Cash and cash equivalents as % of total assets	3.26	4.42
10	Cash and cash equivalents as % of total revenue	2.78	4.65

Previous year increase in fixed deposit with banks was on account of margin money with bank for Letter of credits and Bank Guarantees.

#### 7. Trade Payable

Trade Payable represents the amount payable to vendors for supply of goods & services. These figures stood as Rs. 35,484.26 lacs as at March 31, 2020 against Rs. 27,149.26 lacs as at March 31, 2019.

#### 8. Provision for Tax

Provision for taxation has been made on the taxable income upto March 31, 2020. Provision for income tax represents the net income tax liabilities excluding liability for deferred tax, which stood at Rs. 3,346.71 lacs as at March 31, 2020. In previous year the tax liability was Rs. 2,188.35 lacs

#### 9. Deferred Tax Liability

The company recorded net deferred tax liability in the books Rs.2,031.55 Lacs as on March 31, 2020. In previous year the deferred tax liability was Rs. (3,135.33) lacs. The deferred tax liability represents timing difference in the financial and tax books arising out of depreciation of assets as per Accounting Standard-22.

#### **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.

By Order of the Board of Directors

For and on behalf of Board

Pravinbhai V. Patel - 00008911 Chairman & Whole Time Director

Date: 22.12.2020 Place: Vadodara

#### Annexures:

- 1. Nomination and Remuneration Policy.
- 2. Form No. MR-3: Secretarial Audit Report
- 3. AOC 1: Subsidiaries, Joint Ventures, and Associates
- 4. AOC 2: Particulars of Contract or Arrangements with Related Parties
- 5. CSR Report
- 6. MGT 9 Extract of Annual Return.

#### **ANNEXURE – 1**

#### **NOMINATION AND REMUNERATION POLICY**

#### **PURPOSE**

Pursuant to Section 178 of the Companies Act, 2013 and As per requirement of SEBI (LODR) Regulations, 2015, the Board of Directors of every listed company shall constitute the Nomination and Remuneration Committee, to guide the Board on various issues on appointment, evaluate performance, remuneration of Directors, Key Managerial Personnel and other employee include Senior Management.

#### **APPLICABILITY**

This Policy applies to directors, senior management including its Key Managerial Personnel (Hereinafter referred to as "KMP") and other employees of the Company.

#### **DEFINITIONS**

"Remuneration" means any money or its equivalent given or passed to any person for services rendered by him and includes perguisites as defined under the Income-tax Act, 1961 and other statutory benefits:

**"Key Managerial Personnel"** means key managerial personnel shall include as defined under the Companies Act, 2013

- 1. the Chief Executive Officer or the managing director or the manager;
- 2. the Company Secretary;
- 3. the Whole-Time Director;
- 4. the Chief Financial Officer:
- 5. any other person appointed as the Key Managerial Personnel by the Board of Directors of the Company

"Senior Managerial Personnel" means the personnel of the company who are members of its core management team excluding Board of Directors. Normally, this would comprise all functional heads or Head of the Divisions.

#### **ROLE OF THE COMMITTEE**

The role of the NRC will be the following:

The Nomination and Remuneration Committee shall be responsible for, among other things, as may be required by the stock exchanges from time to time, the following:

 formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of the directors, key management personnel and other employees;

The Nomination and Remuneration Committee, while formulating the above policy, should ensure that -

- the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors
  of the quality required to run the Company successfully;
- relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- remuneration to directors, key management personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.
- formulation of criteria for evaluation of independent directors and the Board;
- · devising a policy on Board diversity;
- identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance (including independent director);

- whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of directors;
- frame suitable policies, procedures and systems to ensure that there is no violation of securities laws, as amended from time to time, including:
  - a. the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; and
  - b. the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003, by the trust, the Company and its employees, as applicable.
- perform such other activities as may be delegated by the Board or specified/ provided under the Companies Act, 2013 to the extent notified and effective, as amended or by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended or by any other applicable laws or regulatory authority."

#### **APPOINTMENT CRITERIA AND QUALIFICATIONS**

- a. The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.
- b. person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.
- c. The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

#### **TENURE**

#### a) Managing Director/Whole-time Director:

The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

#### b) Independent Director:

An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

No Independent Director shall hold office for more than two consecutive terms of upto maximum of 5 years each, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director.

Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the Act.

#### **EVALUATION**

The Committee shall carry out evaluation of performance of Director, KMP and Senior Management Personnel yearly or at such intervals as may be considered necessary.

#### **REMOVAL**

Due to reasons for any disqualification mentioned in the Act or under other applicability Act, rule and regulation there under, the Committee may recommend with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the Companies Act, 2013, rules and regulations and the policy of the Company.

#### **RETIREMENT**

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

#### POLICY FOR REMUNERATION TO DIRECTORS/KMP/SENIOR MANAGEMENT PERSONNEL

#### 1) Remuneration to Managing Director / Whole-time Directors:

- a) The Remuneration/ Commission etc. to be paid to Managing Director / Whole-time Directors, etc. shall be governed as per provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force and the approvals obtained from the Members of the Company, if required.
- b) The Nomination and Remuneration Committee shall make such recommendations to the Board of Directors, as it may consider appropriate with regard to remuneration to Managing Director / Whole-time Directors.

#### 2) Remuneration to Non-Executive / Independent Directors:

- a) The Non-Executive / Independent Directors may receive sitting fees and such other remuneration as permissible under the provisions of Companies Act, 2013. The amount of sitting fees shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors.
- b) All the remuneration of the Non- Executive / Independent Directors (excluding remuneration for attending meetings as prescribed under Section 197 (5) of the Companies Act, 2013) shall be subject to ceiling/ limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force.
  - The amount of such remuneration shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors or shareholders, as the case may be.
- c) An Independent Director shall not be eligible to get Stock Options and also shall not be eligible to participate in any share based payment schemes of the Company.
- d) Any remuneration paid to Non- Executive / Independent Directors for services rendered which are of professional in nature shall not be considered as part of the remuneration for the purposes of clause (b) above if the following conditions are satisfied:
  - i. The Services are rendered by such Director in his capacity as the professional; and
  - ii. In the opinion of the Committee, the director possesses the requisite qualification for the practice of that profession.

#### 3) Remuneration to Key Managerial Personnel and Senior Management:

- a) The remuneration to Key Managerial Personnel and Senior Management shall consist of fixed pay and incentive pay, in compliance with the provisions of the Companies Act, 2013 and in accordance with the Company's Policy.
- b) The Fixed pay shall include monthly remuneration, employer's contribution to Provident Fund, contribution to pension fund, pension schemes, etc. as decided from to time.
- c) The Incentive pay shall be decided based on the balance between performance of the Company and performance of the Key Managerial Personnel and Senior Management, to be decided annually or at such intervals as may be considered appropriate.

#### **MEMBERSHIP**

- The Committee shall consist of a minimum 3 non-executive directors, majority of them being independent.
- 2. Minimum Two (2) members shall constitute a quorum for the Committee meeting.
- 3. Membership of the Committee shall be disclosed in the Annual Report.
- 4. Term of the Committee shall be continued unless terminated by the Board of Directors.

#### **CHAIRPERSON**

- 1. Chairperson of the Committee shall be an Independent Director.
- 2. Chairperson of the Company may be appointed as a member of the Committee but shall not be a Chairman of the Committee.
- 3. In the absence of the Chairperson, the members of the Committee present at the meeting shall choose one amongst them to act as Chairperson.
- 4. Chairman of the Nomination and Remuneration Committee meeting could be present at the Annual General Meeting or may nominate some other member to answer the shareholders' queries.

#### **NRC MEETINGS**

The meetings of NRC will be governed by the provisions of the Companies Act, 2013 & Rules made thereunder and the regulations of the Listing Agreement as may be applicable from time to time.

Proceedings of all meetings must be minuted and signed by the Chairman of the Committee at the subsequent meeting. Minutes of the Committee meetings will be tabled at the subsequent Board and Committee meeting.

#### **COMMITTEE MEMBERS' INTERESTS**

- 1. A member of the Committee is not entitled to be present when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.
- 2. The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

#### **VOTING**

- 1. Matters arising for determination at Committee meetings shall be decided by a majority of votes of Members present and voting and any such decision shall for all purposes be deemed a decision of the Committee.
- 2. In the case of equality of votes, the Chairman of the meeting will have a casting vote.

#### **NOMINATION DUTIES**

The duties of the Committee in relation to nomination matters include:

- 1. Ensuring that there is an appropriate induction in place for new Directors and members of Senior Management and reviewing its effectiveness;
- 2. Ensuring that on appointment to the Board, Non-Executive Directors receive a formal letter of appointment in accordance with the Guidelines provided under the Act;
- 3. Determining the appropriate size, diversity and composition of the Board;
- 4. Setting a formal and transparent procedure for selecting new Directors for appointment to the Board;
- 5. Developing a succession plan for the Board and Senior Management and regularly reviewing the plan;
- 6. Evaluating the performance of the Board members and Senior Management in the context of the Company's performance from business and compliance perspective;

#### **REMUNERATION DUTIES**

The duties of the Committee in relation to remuneration matters include:

- 1. to consider and determine the Remuneration Policy, based on the performance and also bearing in mind that the remuneration is reasonable and sufficient to attract retain and motivate members of the Board and such other factors as the Committee shall deem appropriate all elements of the remuneration of the members of the Board.
- 2. to approve the remuneration of the Senior Management including key managerial personnel of the Company maintaining a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company.
- 3. to delegate any of its powers to one or more of its members or the Secretary of the Committee.

- 4. To consider any other matters as may be requested by the Board.
- 5. Professional indemnity and liability insurance for Directors and senior management.

#### **DEVIATIONS FROM THIS POLICY**

Deviations on elements of this policy in extraordinary circumstances, when deemed necessary in the interests of the Company, will be made if there are specific reasons to do so in an individual case.

#### **IMPLEMENTATION**

- The Committee may issue guidelines, procedures, formats, reporting mechanism and manuals in supplement and for better implementation of this policy as considered appropriate.
- The Committee may Delegate any of its powers to one or more of its members.

#### **POLICY REVIEW**

This policy is framed based on the provisions of the Companies Act, 2013 read with rules made there under and the requirements of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

This policy shall be reviewed by Nomination and Remuneration Committee as and when any changes are to be incorporated in the policy due to change in regulations or as may be felt appropriate by the Committee. Any changes in the policy shall be approved by the Board of Directors.

#### **DISCLOSURE**

The details of this Policy and the evaluation criteria as applicable shall be disclosed in the Annual Report as part of Board's Report therein or alternatively the same may be put up on the Company's website and reference drawn thereto in the Annual Report.

# Form No. MR-3 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 Infrastructure Limited,** (CIN: U45201GJ2004PLC043955) "Patel House", Beside Prakruti Resort, Chhani Road, 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 INFRASTRUCTURE 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, 2020 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, 2020 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;
- 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;
  - q) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
  - 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. No changes in the composition of the Board of Directors that took place during the period under review.
- 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 other events/actions 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. except as follows:

The Company has issued secured, unlisted Redeemable Non Convertible Debentures along with secured, unlisted optionally convertible debentures having different coupon rates during the period under review with requisite approval.

#### For, SUNIL MULCHANDANI AND ASSOCIATES

**Practicing Company Secretaries** 

Place: Ahmedabad SUNIL A. MULCHANDANI

Date: 22nd December, 2020 Proprietor

ACS No.: 36327, COP No.: 17400 UDIN: A036327B001603741

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 Infrastructure Limited,

CIN: U45201GJ2004PLC043955
"Patel House", Beside Prakruti Resort,

Chhani Road, Chhani, Vadodara - 391740, Gujarat.

My 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. My responsibility is to express an opinion on these Secretarial records based on my audit.
- 2. I 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. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
- 3. I have not verified the correctness and appropriateness of financial records and Books of Accounts and cost records of the Company.
- 4. I 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. My examination was limited to the verification of the same on test basis.
- 6. The Secretarial audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For, SUNIL MULCHANDANI AND ASSOCIATES

**Practicing Company Secretaries** 

Place: Ahmedabad

Date: 22<sup>nd</sup> December, 2020

**SUNIL A. MULCHANDANI** 

Proprietor

ACS No.: 36327, COP No.: 17400 UDIN: A036327B001603741

#### Form AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures Part "A": Subsidiaries (Information in respect of each subsidiary to be presented with amounts in Lacs INR)

SR NO.	NAME OF THE SUBSIDIARY	PATEL HIGHWAY MANAGEMENT PRIVATE LIMITE "PHMPL"	**PATEL BRIDGE NIRMAN PRIVATE LIMITED "PBNPL"	PATEL HOSPITALITY PRIVATE LIMITED "PHPL"	PATEL CHOLOPURAM -THANJAVUR HIGHWAY PRIVATE LIMITED "PCTHPL"	**PATEL SETHIYAHOPU- CHOLOPURAM HIGHWAY PRIVATE LIMITED" PSCHPL"	PATEL DARAH- JHALAWAR HIGHWAY PRIVATE LIMITED "PDJHPL"	PATEL VADODARA -KIM EXPRESSWAY PRIVATE LIMITED "PVKEPL"
1	Reporting currency	INR	INR	INR	INR	INR	INR	INR
2	Share capital	750.00	1,678.50	1.00	2,001.00	4,383.00	3,400.00	5,200.00
3	Reserves & surplus	5,860.43	3,054.47	1.21	161.92	(1,080.01)	1,176.89	(207.38)
4	Total assets	6,660.35	17,625.27	163.93	30,166.91	35,424.73	42,305.98	48,625.01
5	Total Liabilities	6,660.35	17,625.27	163.93	30,166.91	35,424.73	42,305.98	48,625.01
6	Investments	4,901.10	-	-	-	-	-	-
7	Turnover	4,509.29	2,691.62	4.78	17,521.72	25,235.45	29,459.24	44,816.56
8	Profit before taxation	(466.44)	686.82	4.53	(403.13)	(1,892.20)	451.49	(229.65)
9	Provision for taxation	-	156.48	0.50	-	-	-	-
10	Deferred Tax	(25.00)	(156.48)	0.23	(55.53)	(94.19)	(120.21)	158.54
11	Excess/(short) provision for taxation of earlier year	(17.86)	1.71	-	8.16	(0.41)	0.94	-
12	Profit after taxation	(423.58)	685.11	3.80	(355.76)	(1797.61)	570.76	(388.18)
13	Proposed Dividend	900.00	1,812.78	-	-	-	-	-
14	% of shareholding	100.00	74.00	100.00	100.00	100.00	100.00	100.00

<sup>\*</sup> Notes: (i) Patel Bridge Nirman Private Limited (the Company) is JV of Patel Infrastructure Limited "PIL", Wherein PIL along with its Subsidiary Patel Highway Management Private Limited, holding 74% share capital of the Company.

#### Notes:

- 1. Names of subsidiaries which are yet to commence operations: PHPL,
- 2. Names of subsidiaries which have been liquidated or sold during the year: N.A

<sup>\*\*(</sup>ii) Patel Sethiyahopu-Cholopuram Highway Private Limited (the Company) is Subsidiary of Patel Infrastructure Limited "PIL", Wherein PIL alongwith its Subsidiary Patel Highway Management Private Limited, holding entire share capital of the Company.

#### **PART "B": ASSOCIATES AND JOINT VENTURES**

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies & Joint Ventures

SR.NO	"NAME OF ASSOCIATES/JOINT VENTURES"	NIL
1	Names of associates or joint ventures which are yet to commence operations	N.A
2	Names of associates or joint ventures which have been liquidated or sold during the year	N.A

**By Order of the Board of Directors** 

For and on behalf of Board

Date: 22.12.2020 Place: Vadodara Pravinbhai V. Patel - 00008911 Chairman & Whole Time Director

#### 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 year ended March 31,2020, which were not at arm's length basis.

2. Details of 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 LACS
Patel Highway Management Private Limited – WhollySubsidiary Company	Sub - Contract Related Service	As per Sub - Contract	Sub – Contract Income	1,566.99
Patel Bridge Nirman Private Limited – Subsidiary	Sub - Contract Related Service	As per Sub - Contract	Sub – Contract Income	461.03
Patel Sethiyahopu- Cholopuram Highway Private Limited – Wholly Own Subsidiary	Sub - Contract Related Service	As per Sub – Contract/EPC	Sub – Contract Income	24,573.45
Patel Darah- Jhalawar Highway Private Limited - Wholly Own Subsidiary	Sub - Contract Related Service	As per Sub – Contract/EPC	Sub – Contract Income	27,100.62
Patel Cholopuram Thanjavur Highway Private Limited - Wholly Own Subsidiary	Sub - Contract Related Service	As per Resolution Passed	Sub – Contract Income	16,359.77
Patel Vadodara-Kim Expressway Private Limited - Wholly Own Subsidiary	Sub - Contract Related Service	As per Resolution Passed	Sub – Contract Income	43,827.78
Krunal A. Patel – Son of Mr. Arvind V. Patel, Managing Director of the Company.	Salary	As per Resolution Passed	Salary	60.00
Parth .A. Patel Son of Mr. Arvind V. Patel, Managing Director of the Company.	Salary	As per Resolution Passed	Salary	42.00
Jay. P. Patel -Son of Mr. Pravinbhai V. Patel, Chairman & Director of the Company.	Salary	As per Resolution Passed	Salary	60.00
Krishna D. Vaviya Son of Mr. Dineshbhai P. Vaviya, Whole Time Director of the Company.	Salary	As per Resolution Passed	Salary	7.99

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.

**By Order of the Board of Directors** 

For and on behalf of Board

Date: 22.12.2020 Place: Vadodara Pravinbhai V. Patel - 00008911 Chairman & Whole Time Director

## **CSR Report**

#### Annual Report on Corporate Social Responsibility (CSR) activity for the financial year 2019-20

 A brief outline of the Company's CSR Policy including overview of projects or programms proposed to be undertaken and a reference to the web-link to the CSR Policy and projects or programs and the composition of CSR committee.

Refer section (a) CSR and (b) Disclosure : CSF committee in this report

2. Average net profit of the Company for last three financial years

9385.49

3. Prescribed CSR expenditure (Two Percent of the amount mentioned in item 2 above)

187.71

4. Details of CSR Spent during the Financial Year:

Total amount to be spend for the financial year Amount unspent, if any 124.01 63.70

Manner in which the amount spend during the financial year

Details Given

#### Details of Amount Spent on CSR Activities during the financial year 2019-20.

SR NO.	CSR PROJECT OR ACTIVITY	SECTOR IN WHICH THE PROJECT IS COVERED CLAUSE NO. SCHEDULE VII TO THE COMPANIES ACT, 2013, S AMENDED	PROJECT OF PROGRAM (1) LOCAL AREA OR (2) SPECIFY THE STATE AND DISTRICT WHERE PROJECT OR PROGRAMMS WAS UNDERTAKEN	AMOUNT OUTLAY ( BUDGET) PROJECT OR PROGRAMME WISE (IN LACS.)	AMOUNT SPENT ON THE PROJECTS OR PROGRAMS SUB HEADS: (1) DIRECT EXPENDITURE ON PROJECT OR PROGRAMS (2) OVERHEADS (IN LACS.)	CUMULATIVE EXPENDITURE UPTO HE REPORTING PERIOD.	AMOUNT SPENT DIRECT OR THROUGH IMPLEMENTING AGENCY
1	No plastic project	CL(IV)	Vadodara, Gujarat	10.00	10.00	10.00	Implementing Agency – Utkarsh Global Foundation
2	Protection of Animal	CL(IV)	Vadodara, Gujarat	1.00	1.00	1.00	Implementing Agency - BAPS Gaushala Trust
3	Medical	CL (i) Promoting Health Care	Halol, Gujarat	5.50	5.50	5.50	Implementing Agency - Shree Narayan Arogyadham Annapurna Trust
4	Medical	CL (i) Promoting Health Care	Anand, Gujarat	1.00	1.00	1.00	Implementing Agency - Savitaben & Hirubhai Patel Memorial Foundation
5	Animal welfare	CL (i) Promoting Health Care	Anand, Gujarat	84.00	84.00	84.00	lmplementing Agency - Vithalbhai Gobarbhai Patel Foundation,
6	Promotion of education & promotion & development of traditional art	CL(ii) & (v)	Rajkot, Gujarat	15.00	15.00	15.00	Implementing Agency - Shri Khodaldham Trust Kagvad
7	Medical	CL (i) Promoting Health Care	Ahmedabad, Gujarat	2.00	2.00	2.00	Implementing Agency – Narmadaben Madhavray Savani Trust
8	Promotion of education & promotion & development of traditional art	CL(ii) & (v)	Vadodara, Gujarat	5.51	5.51	5.51	Implementing Agency – BAPS Trust
	Total Expenditur	те			124.01		

Note: - \* Most of activity have been carried out through non-governmental Organizations or Charitable Institutions. All NGO or Charitable Institutions have an established track record of more than three years in undertaking such projects and programs

#### REASON FOR NOT SPENDING THE AMOUNT IN ITS BOARD REPORTS

The Company is already working on Animal Helpline project thorough its own trust. Company also engaged in many charitable activities through different trusts. During the year Company has identified new projects for which Company has approached government agencies for in-principle clearance. The same was found not viable due to the cost of the land affecting the cost of the project. Hence there was short spending in the CSR as compared to the required budgeted spending.

#### **RESPONSIBILITY STATEMENT**

The Responsibility Statement of the Corporate Social Responsibility and Its Committee of the Board of Directors of the Company, is reproduced below:

"The Implementation and monitoring of CSR Policy, is in compliance with CSR objectives and policy of the Company."

**By Order of the Board of Directors** 

For and on behalf of Board

Date: 22.12.2020 Pravinbhai V. Patel - 00008911
Place: Vadodara Chairman & Whole Time Director

#### 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 31/03/2020

#### **01. REGISTRATION & OTHER DETAILS:**

i. CIN: U45201GJ2004PLC043955ii. Registration Date: 13-Apr-04

iii. Name of the Company: PATEL INFRASTRUCTURE LIMITED

iv. Category of the Company: Public Company - Company limited by Shares

#### v. Address of the Registered office & contact details

Address: "PATEL HOUSE", BESIDE PRAKRUTI RESORT, CHHANI ROAD, CHHANI.

Town / City : VADODARA State : GUJARAT - 391 740 Country Name : INDIA

Telephone (with STD Code): (0265) 277 6678, 277 7778

Fax Number: (0265) 277 7878 Email Address: ho@patelinfra.com Website, if any: patelinfra.com

vi. Whether listed company: No

#### 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: rajeshm@bigshareonline.com

#### **02. PRINCIPAL BUSINESS ACTIVITY OF THE COMPANY**

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

SI. 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 & buildings ( Section F)	41 & 42	100%

#### 03. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

No. of Companies for which information is being filled

SI. NO.	NAME AND ADDRESS OF COMPANY	CIN/GLN	"HOLDING/ SUBSIDIARY/ ASSOCIATE"	% OF SHARES HELD	APPLICABLE SECTION
1	Patel Highway Management Private Limited	U45203GJ2009PTC058178	Subsidiary	100%	2(87)
2	Patel Bridge Nirman Private Limited	U45202GJ2011PTC066793	Subsidiary	74%	2(87)(ii)a
3	Patel Hospitality Private Limited	U55101GJ2015PTC082840	Subsidiary	100%	2(87)

4	Patel Cholopuram-Thanjavur Highway Private Limited	U45309GJ2017PTC099166	Subsidiary	100%	2(87)
5	Patel Sethiyahopu-Cholopuram Highway Private Limited	U45309GJ2017PTC099497	Subsidiary	100%	2(87)(ii)a
6	Patel Darah-Jhalawar Highway Private Limited	U45201GJ2017PTC099499	Subsidiary	100%	2(87)
7	Patel Vadodara-Kim Expressway Private Limited	U45309GJ2018PTC101801	Subsidiary	100%	2(87)

#### 04. SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)

i. Category-wise Share Holding

<b>DEMAT</b> ,120,000	PHYSICAL	TOTAL	% OF TOTAL SHARES	DEMAT	DHACICAL	TOTAL		
,120,000			% OF TOTAL SHARES	DEMAT	PHYSICAL	TOTAL	% OF TOTAL SHARES	DURING THE YEAR
,120,000								
,120,000								
	-	42,120,000	92.36	42,120,000	-	42,120,000	92.36	
-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	
,120,000	-	42,120,000	92.36	42,120,000	-	42,120,000	92.36	
-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	
	- - - - - ,120,000							

	NO. OF SHA YEAR	RES HELD A	T THE BEGIN	INING OF THE	NO. OF SH YEAR	ARES HELD A	T THE BEGINN	ING OF THE	% CHANGE DURING
CATEGORY OF SHAREHOLDERS	DEMAT	PHYSICAL	TOTAL	% OF TOTAL SHARES	DEMAT	PHYSICAL	TOTAL	% OF TOTAL SHARES	THE YEAR
2. Non-Institutions	;								
a) Bodies Corp.									
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	3,480,000	-	3,480,000	7.64	3,480,000		3,480,000	7.64	
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	-	-	-	-	-		-		
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	3,480,000	-	3,480,000	7.64	3,480,000		3,480,000	7.64	-
c) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	3,480,000	-	3,480,000	7.64	3,480,000	-	3,480,000	7.64	-
B. Total Public Shareholding (B)=(B)(1)+ (B)(2	3,480,000 )	-	3,480,000	7.64	3,480,000	-	3,480,000	7.64	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	_	•
Grand Total (A+B+C)	45,600,000	- 2	15,600,000	100	45,600,000	-	45,600,000	100	-

# ii Shareholding of Promoters

		SHAREH	SHAREHOLDING AT THE BEGINNING OF THE YEAR OF THE YEAR		BEGINNING F THE YEAR			
SI	SHAREHOLDER'S NAME	NO. OF SHARES	% OF TOTAL SHARES OF THE COMPANY	% OF SHARES PLEDGED/ ENCUMBE RED TO TOTAL SHARES	NO. OF SHARES	% OF TOTAL SHARES OF THE COMPANY	%OF SHARES PLEDGED/ ENCUMBE RED TO TOTAL SHARES	% CHANGE IN SHARE HOLDING DURING THE YEAR
1	Pravinbhai Vithalbhai Patel	1,42,20,000	31.18%	0%	1,42,20,000	31.18%	9.10%	0%
2	Arvind Vithalbhai Patel	1,42,20,000	31.18%	0%	1,42,20,000	31.18%	9.10%	0%
3	Dineshbhai Pragjibhai Vaviya	45,60,000	10.00%	0%	45,60,000	10.00%	2.60%	0%
4	Madhubhai Pragjibhai Vaviya	45,60,000	10.00%	0%	45,60,000	10.00%	2.60%	0%
5	Sureshbhai Pragjibhai Vaviya	45,60,000	10.00%	0%	45,60,000	10.00%	2.60%	0%
	Total	4,21,20,000	92.36%	0%	4,21,20,000	92.36%	26.00%	0%

# iii Change in Promoters' Shareholding (please specify, if there is no change)

		SHAREHOLD BEGINNING (		CUMULATIVE SI DUR	HAREHOLDING RING THE YEAR
SI NO.	NAME OF SHAREHOLDER	NO. OF SHARES	% OF TOTAL SHARES OF THE COMPANY	NO. OF SHARES	% OF TOTAL SHARES OF THE COMPANY
1.	Pravinbhai Vithalbhai Patel				
	At the beginning of the year	1,42,20,000	31.18%	1,42,20,000	31.18%
	Changes During the year	-	-	-	-
	At the end of the year	-	-	1,42,20,000	31.18%
2.	Arvind Vithalbhai Patel				
	At the beginning of the year	1,42,20,000	31.18%	1,42,20,000	31.18%
	Changes During the year	-	-	-	-
	At the end of the year	-	-	1,42,20,000	31.18%
3.	Dineshhbhai Prajibhai Vaviya				
	At the beginning of the year	45,60,000	10.00%	45,60,000	10.00%
	Changes During the year	-	-	-	-
	At the end of the year	-	-	45,60,000	10.00%
4.	Madhubhai Prajibhai Vaviya				
	At the beginning of the year	45,60,000	10.00%	45,60,000	10.00%
	Changes During the year	-	-	-	-
	At the end of the year	-	-	45,60,000	10.00%
5.	Sureshbhai Prajibhai Vaviya				
	At the beginning of the year	45,60,000	10.00%	45,60,000	10.00%
	Changes During the year	-	-	-	-
	At the end of the year	-	-	45,60,000	10.00%

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

			DING AT THE		SHAREHOLDING IRING THE YEAR
SI NO.	NAME OF SHAREHOLDER	NO. OF SHARES	% OF TOTAL SHARES OF THE COMPANY	NO. OF SHARES	% OF TOTAL SHARES OF THE COMPANY
1.	Smitaben Pravinbhai Patel				
	At the beginning of the year	17,40,000	3.82%	17,40,000	3.82%
	Changes During the year	-	-	-	-
	At the end of the year	-	-	17,40,000	3.82%
2.	Kaminiben Arvindbhai Patel				
	At the beginning of the year	17,40,000	3.82%	17,40,000	3.82%
	Changes During the year	-	-	-	-
	At the end of the year	-	-	17,40,000	3.82%

# v Shareholding of Directors and Key Managerial Personnel:

			LDING AT THE OF THE YEAR	CUMULATIVE SHAREHOLDING DURING THE YEAR		
SI NO.	FOR EACH OF THE DIRECTORS AND KMP	NO. OF SHARES	% OF TOTAL SHARES OF THE COMPANY	NO. OF SHARES	% OF TOTAL SHARES OF THE COMPANY	
1.	Pravinbhai Vithalbhai Patel – Whole Time Director					
	At the beginning of the year	1,42,20,000	31.18%	1,42,20,000	31.18%	
	Changes During the year	-	-	-	-	
	At the end of the year	-	-	1,42,20,000	31.18%	
2.	Arvind Vithalbhai Patel - Managing Director					
	At the beginning of the year	1,42,20,000	31.18%	1,42,20,000	31.18%	
	Changes During the year	-	-	-	-	
	At the end of the year	-	-	1,42,20,000	31.18%	
3.	Dineshbhai Prajibhai Vaviya – Whole Time Director					
	At the beginning of the year	45,60,000	10.00%	45,60,000	10.00%	
	Changes During the year	-	-	-	-	
	At the end of the year	-	-	45,60,000	10.00%	
4.	Madhubhai Prajibhai Vaviya – Whole Time Director					
	At the beginning of the year	45,60,000	10.00%	45,60,000	10.00%	
	Changes During the year	-	-	-	-	
	At the end of the year	-	-	45,60,000	10.00%	
5.	Sureshbhai Prajibhai Vaviya – Whole Time Director					
	At the beginning of the year	45,60,000	10.00%	45,60,000	10.00%	
	Changes During the year	-	-	-	-	
	At the end of the year	-	-	45,60,000	10.00%	
6.	Sandeep Sahni – Chief Financial Officer*					
	At the beginning of the year	-	-	-	-	
	Changes During the year	-	-	-	-	
	At the end of the year	-	-	-	-	
7.	Aswini Kumar Sahu – Company Secretary					
	At the beginning of the year	-	-	-	-	
	Changes During the year	-	-	-	-	
	At the end of the year	-	-	-	-	

<sup>\*</sup>Note: Mr. Sandep Sahni has resigned from the post of CFO w.e.f 25/09/2020 from the Company.

### **05. INDEBTEDNESS (IN LACS)**

Indebtedness of the Company including interest outstanding/accrued but not due for payment

INDEBTEDNESS AT THE BEGINNING OF THE FINANCIAL YEAR	SECURED LOANS EXCLUDING DEPOSITS	UNSECURED LOANS	DEPOSITS	TOTAL INDEBTEDNESS
i) Principal Amount	33,485.28	8,015.88	-	41,501.16
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	89.94	-	-	89.94
Total (i+ii+iii)	33,575.22	8,015.88	-	41,591.10
Change in Indebtedness during the financial year	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total indebtedness
* Addition	18,767.44	393.16		19,160.60
* Reduction	(18,197.74)	(5,712.48)		(23,910.22)

INDEBTEDNESS AT THE BEGINNING OF THE FINANCIAL YEAR	SECURED LOANS EXCLUDING DEPOSITS	UNSECURED LOANS	DEPOSITS	TOTAL INDEBTEDNESS
Net Change	569.70	(5,319.32)		(4,749.62)
Indebtedness at the end of the financial year	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total indebtedness
i) Principal Amount	34,144.92	2696.56		36,841.48
ii) Interest due but not paid				
iii) Interest accrued but not due	207.92			207.92
Total (i+ii+iii)	34,352.84	2696.56		37,049.40

# 06. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL (IN LACS)

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

		NAME OF MD	WTD/ MAN	IAGER			
SI NO	PARTICULARS OF REMUNERATION	PRAVINBHAI PATEL	ARVIND PATEL	DINESHBHAI VAVIYA	MADHUBHAI VAVIYA	SURESHBHAI VAVIYA	TOTAL AMOUNT
1	Gross salary	300.00	300.00	100.80	100.80	100.80	902.40
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	300.00	300.00	100.80	100.80	100.80	902.40
	(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 (A)	300.00	300.00	100.80	100.80	100.80	902.40
	Ceiling as per the Act			2,035.84			

### B. Remuneration to other directors:

SI	PARTICULARS OF REMUNERATION		TOTAL				
NO		Α	В	С	D	Е	AMOUNT
1	Independent Directors	Harcharansingh Pratapsingh Jamdar	Hemantkumar Jayantilal Patel	Mehulkumar Dineshbhai Patel	Sandip Anilkumar Sheth	Deepti Sharma	
	Fee for attending board committee meetings	0.25	2.15	0.40	1.20	1.35	5.35
	Commission	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-
	Total (1)	0.25	2.15	0.40	1.20	1.35	5.35

SI PARTICULARS OF		NAME OF	DIRECTORS			TOTAL
NO REMUNERATION	Α	В	С	D	E	AMOUNT
2 Other Non-Executive Directors						
Fee for attending board committee meetings	-	-	-	-	-	-
Commission	-	-	-	-	-	-
Others, please specify	-	-	-	-	-	-
Total (2)	-	-	-	-	-	-
Total (B)=(1+2)	0.25	2.15	0.40	1.20	1.35	5.35
Total Managerial Remuneration ( A + B)	-	-	-	-	-	907.75
Overall Ceiling as per the Act			NIL			

## C. Remuneration to Key Managerial Persons Other Than MD/MANAGER/WTD:

			KEY MANAGERIAL PER	SONNEL	
SI NO	PARTICULARS OF REMUNERATION	CEO	ASWINI KUMAR SAHU COMPANY SECRETARY	SANDEEP SAHNI CFO	TOTAL AMOUNT
1	Gross salary	-	27.00	51.00	78.00
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	27.00	51.00	7800
	(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 (A)	-	27.00	51.00	78.00

### **07. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

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.

**By Order of the Board of Directors** 

For and on behalf of Board

Date: 22.12.2020 Place: Vadodara Pravinbhai V. Patel - 00008911 Chairman & Whole Time Director

# **INDEPENDENT AUDITOR'S REPORT**

To, The Members,

#### THE MEMBERS OF PATEL INFRASTRUCTURE LIMITED

#### Report on the audit of the Standalone Ind AS Financial Statements

#### **Opinion**

We have audited the Standalone Ind AS financial statements of **PATEL INFRASTRUCTURE LIMITED ("the Company")** (CIN: U45201GJ2004PLC043955), which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash flows for the year then ended and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 Companies (Indian Accounting Standard) Rules, 2015, as amended and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and Profit, Changes in equity and its cash flows for the year ended on that date.

# **BASIS FOR OPINION**

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

#### **EMPHASIS OF MATTER**

We draw attention to Note 18.1 of the accompanying financial results, as regards the outstanding balance of long-term borrowings have been considered from the repayment schedules due to COVID-19.

We draw attention to Note 44 of the accompanying financial results, as regards the management's evaluation of COVID-19 impact on the operations and assets of the Company.

Our report is not modified in respect of both the above matters.

#### INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Company's Board of Directors is responsible for the preparation of other information. The other information comprises the information included in the report of Board of Directors and it committees, but does not include the Standalone Ind AS financial statements and our auditor's report thereon.

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

In connection with our audit of the Standalone Ind AS financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### RESPONSIBILITY OF MANAGEMENT FOR STANDALONE IND AS FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance of the Company in accordance with the accounting principles

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

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

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

#### AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE STANDALONE IND AS FINANCIAL STATEMENTS

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

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

- Identify and assess the risks of material misstatement of the Standalone Ind AS 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- 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. Our conclusions are based on
  the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause
  the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the Standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

#### **OTHER MATTERS**

We did not audit the financial information of two unincorporated joint operations, whose financial information reflects total assets of Rs. 184.54 lakhs as at March 31, 2020, total revenues of Rs. 277.66 lakhs, net profit of Rs. 0.86 lakhs and net cash outflows of Rs. 1.83 lakhs for the year then ended on that date, as considered in the Standalone Ind AS financial statements. The financial information of these joint operations has been audited by other auditors whose reports have been furnished to us by the management of the Company, and our opinion in so far as it relates to the amounts and disclosures included in respect of these joint operations is solely based on the report of the other auditors.

Our opinion is not modified in this respect.

#### REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

As required by Section 143(3) of the Act, we report that:

- a). We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b). In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c). The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the statement of changes in equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d). In our opinion, the aforesaid Standalone Ind AS financial statements comply with the Indian Accounting Standards ("Ind AS") specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015 as amended time to time.
- e). On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 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".
- g). In our opinion, the managerial remuneration for the year ended March 31, 2020 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act.
- h). With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements. Refer Note 41 (a) of the Standalone Financial Statements.
  - 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.

For, Surana Maloo & Co.
Chartered Accountants
Firm Registration Number 112171W

Per, S.D. Patel Partner

Membership No: 037671 UDIN: 20037671AAAAIG1266

Date: September 24, 2020

Place: Ahmedabad

#### **ANNEXURE - A**

#### TO THE INDEPENDENT AUDITORS' REPORT

Matters specified in paragraphs 3 & 4 of the Companies (Auditor's Report) order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013 of Patel Infrastructure Limited for the year ended on March 31, 2020.

- i. a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - b) The fixed assets have been physically verified during the year by the Management in accordance with program of physical verification, which in our opinion, provides for physical verification of all fixed assets at reasonable intervals having regard to size of the Company and nature of fixed assets. Based on our audit and according to the information and explanations given to us, no material discrepancies were noticed on such verification.
  - c) According to the information and explanations given by the management, title deeds of all the immovable properties are in the name of the company except land having Gross and Net Block: Rs. 140.03 lakhs and Buildings having Gross Block and Net block of Rs. 78.01 lakhs and Rs. 69.64 Lakhs respectively held in the erstwhile name of the company, i.e. Patel Infrastructure Private Limited and a building having Gross Block and Net block of Rs. 0.57 Lakhs and Rs. 0.43 Lakhs respectively is in the name of Patel Construction Company, i.e. in the name of partnership firm before conversion into company.
- ii. Inventories have been physically verified by the Management at regular intervals and discrepancies noticed on such verification, if any, have been properly dealt with in the books of account.
- iiii. The Company has granted unsecured loans in the nature of sub-ordinated debt to wholly-owned subsidiaries covered in the register maintained under Section 189 of the Act.

According to the information and explanations given to us, these loans have been given for long term with strategic business motive and accordingly, are not prejudicial to the interests of the company.

Interest has not been charged and stipulations for repayment of principal amount has not been made against loans outstanding at the year end from the subsidiaries. Having regard to the above facts and explanations, reporting with respect repayment of principal and interest thereon is not applicable.

Since the repayment schedule for such loans is not stipulated, no loan is overdue for more than ninety days and accordingly reporting with respect to recovery of principal and interest is not applicable.

- iv. The Company has made investments or provided guarantees or security to the wholly owned subsidiaries but the said transaction is out of purview as per provisions of sections 185 and 186 of the Act. Hence, reporting requirements of paragraph 3(iv) of the Order is not applicable.
- v. According to the information and explanations given to us the Company has not accepted deposits from the public within the meaning of Sections 73 to 76 of the Act, and the rules framed there under. Therefore, the reporting requirements of paragraph 3 (v) of the Order, is not applicable to the Company.
- vi. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost 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, have not made a detailed examination of such records with a view to determine whether they are accurate or complete.
- vii. a) According to the information and explanations given to us and records produced before us, the company is generally regular in depositing undisputed statutory dues including Provident Fund (PF), Employees' State Insurance (ESIC), Professional Tax, income-tax, duty of customs, cess, goods & service tax and any other statutory dues to the appropriate authorities though there have been few delays in case of goods and service tax and tax deducted at source. According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, cess and other material statutory dues were in arrears as at March 31, 2020 for a period of more than six months from the date they became payable except those mentioned below:

S.No	NAME OF THE STATUTE	PERIOD TO WHICH THE AMOUNTS RELATES	AMOUNT
01	Income Tax	AY 2008-09 (FY 2007-08) to AY 2017-18 (FY 2016-17)	6.21
02	GST RCM	FY 2019-20	4.29

b) According to the information and explanations given to us, there are no material dues of income tax, sales tax, service tax, value added tax or goods & service tax which have not been deposited with the appropriate authorities on account of any dispute, except as provided below: -

NAME OF THE STATUTE	AMOUNT DEMANDED	AMOUNT UNDER DISPUTE DEPOSITED	PERIOD TO WHICH THE AMOUNT RELATES	FOURM WHERE THE DISPUTE IS PENDING
Income Tax	93.98	18.81	AY 2015-16 relevant to FY 2014-15	CIT - Appeals
Income Tax	0.62	-	AY 2010-11 relevant to FY 2009-10	CIT - Appeals
Income Tax	0.77	-	AY 2011-12 relevant to FY 2010-11	CIT - Appeals
Income Tax	0.03	-	AY 2013-14 relevant to FY 2012-13	CIT – Appeals
Income Tax	1231.54	1231.54*	AY 2016-17 relevant to FY 2015-16	CIT - Appeals
Service Tax	104.12	-	FY 2004 to 2008	Supreme Court of India
Gujarat VAT	284.44	-	FY 2013-14	Commissioner of Commercial Tax
Rajasthan VAT	11.27	1.10	FY 2015-16	Dy. Commissioner (Appeals), UDAIPUR
Rajasthan VAT	38.10	3.80	FY 2016-17	Dy. Commissioner (Appeals), UDAIPUR

<sup>\* \*</sup>Amount under dispute represents Rs. 569.93 lakhs disclosed as refund receivable and Rs. 661.61 lakhs disclosed as MAT Credit Receivable

- viii. Based on our audit procedure and the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of loans to financial institution, banks and debenture holders.
- ix. The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). In our opinion and according to the information and explanation given to us and on examination of the balance sheet of the company, the term loans were applied for the purpose for which the loans were obtained.
- x. Based upon the audit procedures performed for the purpose of reporting the true and fair view of the Standalone Ind AS financial statements and as per the information and explanations given by the Management, we report that no material fraud on or by the Company has been noticed or reported during the year.
- xi. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approv als mandated by the provisions of section 197 read with Schedule V to the Act.
- xii. In our opinion, the Company is not a chit fund or a Nidhi/ Mutual benefit fund/ society. Therefore, the provisions of Clause 3(xii) of the Order are not applicable to the Company.
- xiii. According to the information and explanation given to us and on the basis of our examination of the records of the Company, all the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable and also the details which have been disclosed in the Standalone Ind AS Financial Statements are in accordance with the applicable Accounting Standard.
- xiv. The Company has issued non-convertible debentures and optionally convertible debentures on private placement basis during the year as per the relevant provisions of The Companies Act, 2013. In our opinion and according to the information and explanation given to us and on examination of the balance sheet of the company, the proceeds from the debentures were utilized for the purpose for which the same were obtained.
- xv. In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly reporting requirement of paragraph 3(xv) of the order is not applicable to the Company.
- xvi. According to the information given and as explained to us, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

# For, Surana Maloo & Co.

Chartered Accountants Firm Registration Number 112171W

Per, S.D. Patel

Partner

Membership No: 037671

UDIN: 20037671AAAAIG1266

Date: September 24, 2020 Place: Ahmedabad

#### **ANNEXURE - B**

# ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE IND AS FINANCIAL STATEMENTS OF PATEL INFRASTRUCTURE LIMITED

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

We have audited the internal financial controls over financial reporting of Patel Infrastructure Limited ("the Company") as of March 31, 2020 in conjunction with our audit of the Standalone Ind AS financial statements of the Company for the year ended on that date.

#### MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting 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 Act.

### **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 the ICAI and deemed to be prescribed under section 143(10) of the Act, 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 Standalone Ind AS financial statements, whether due to fraud or error.

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

#### MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone Ind AS 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 Standalone Ind AS 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, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For, Surana Maloo & Co.

Chartered Accountants Firm Registration Number 112171W

> Per, S.D. Patel Partner

Membership No: 037671

UDIN: 20037671AAAAIG1266

Date: September 24, 2020 Place: Ahmedabad

# **BALANCE SHEET**

as at March 31, 2020

#### PATEL INFRASTRUCTURE LIMITED

CIN: U45201GJ2004PLC043955

(₹in Lakhs)

PARTICULARS	Note No.	As at March 31, 2020	As at March 31, 2019
I. ASSETS			
1 Non-current assets			
(a) Property, Plant and Equipment	5	31,698.39	31,139.1
(b) Other Intangible assets	5	231.93	257.1
(c) Capital Work-in-progress	5	<del>-</del>	262.6
(d) Right to use of assets	5(a)	152.31	
(e) Financial Assets	<b>5 (a)</b>	102101	
(i) Investments	6	36,119.66	19,114.2
(ii) Other Non-current financial assets	7	2,952.05	4,845.2
(f) Other non-current assets	9	556.27	1,015.9
Total Non-current Assets	3		56,634.3
2 Current assets		71,710.61	30,034.3
(a) Inventories	10	11.000.00	0 100 6
. ,	10	11,626.26	8,188.6
(b) Financial Assets	11	27.070.04	27 770 /
(i) Trade receivables	11 12	37,879.91	27,778.4 242.7
(ii) Cash and cash equivalents		318.90	
(iii) Bank balances other than (ii) above	12	5,370.86	5,653.9
(iv) Other current financial assets	13	24,522.84	10,606.3
(c) Current tax assets (Net)	14	3,953.74	3,470.7
(d) Other current assets	15	19,006.82	20,694.0
Total Current assets		102,679.33	76,634.7
Total Assets		174,389.94	133,269.0
II. EQUITY AND LIABILITIES			
1 Equity			
(a) Equity share capital	16	4,560.00	4,560.0
(b) Other Equity	17	49,572.07	35,119.8
Total Equity		54,132.07	39,679.8
2 Liabilities			
Non-current liabilities			
(a) Financial Liabilities			
(i) Long term borrowings	18	18,727.42	11,420.4
(ii) Long Term Lease Liabilities	5(b)	53.56	
(iii) Other non-current financial Liabilities	19	3,688.08	2,782.4
(b) Long-term provisions	20	675.84	594.3
(c) Deferred tax liabilities (Net)	8	3,680.74	1,639.4
(d) Other non-current liabilities	21	11,987.97	7,844.0
Total Non-current liabilities		38,813.61	24,280.6
3 Current liabilities			
(a) Financial Liabilities			
(i) Short term borrowings	22	1,3017.38	23,189.6
(ii) Short Term Lease Liabilities	5(b)	118.92	.,
(iii) Trade payables	23	35,484.26	27,149.2
(iv) Other current financial liabilities	24	19,133.53	13,017.0
(b) Short term provisions	25	220.91	176.6
(c) Other current liabilities	26	13,469.26	5,775.9
Total Current liabilities	20	81,444.26	69,308.6
Total Liabilities		120,257.87	93,589.2
Total Equity and Liabilities		120,207.07	00,000.2

As per our report of even date

# For, Surana Maloo & Co.

Chartered Accountants Firm Registration Number 112171W

### Per, S.D. Patel

Partner

Membership No: 037671

Place : Ahmedabad Date : September 24, 2020

#### For and Behalf of the Board of Directors

**Patel Infrastructure Limited** 

CIN: U45201GJ2004PLC043955

# Pravinbhai V. Patel Chairman & Director

DIN: 00008911

#### Sandeep Sahni

Chief Financial Officer

Place: Vadodara

Date: September 24, 2020

Arvind V. Patel Managing Director DIN: 00009089

# **Aswini Kumar Sahu**

Company Secretary ICSI Membership No.: F7476

# **PROFIT AND LOSS STATEMENT**

as at March 31, 2020

# PATEL INFRASTRUCTURE LIMITED

CIN: U45201GJ2004PLC043955

(₹in Lakhs)

				( \ 111 L6
PA	RTICULARS	Note No.	For the year ended March 31, 2020	For the year ended March 31, 2019
١.	REVENUE			
	Revenue from Operations	27	202,664.62	125,366.50
	Other Income	28	1,841.56	1,349.64
	Total Income		204,506.18	126,716.14
II.	EXPENSES			
	Construction Expenses	29	155,754.79	90,804.1
	Employee Benefits Expense	30	11,291.76	10,379.1
	Finance costs	31	9,528.25	6,013.3
	Depreciation and Amortization Expenses	5	4,091.38	3,783.0
	Amortisation Expense on Leased Assets	5a	115.43	
	Other Expenses	32	4,305.23	4,892.9
	Total Expenses		185,086.84	115,872.6
III.	PROFIT BEFORE EXCEPTIONAL ITEM AND TAX		19,419.34	10,843.4
V.	EXCEPTIONAL ITEM	38	-	450.0
/.	PROFIT BEFORE TAX		19,419.34	10,393.4
/I.	TAX EXPENSE:			
	Current Tax	43	3,346.71	2,188.3
	(Excess) / Short provision of earlier periods	43	189.48	(0.42
	Deferred Tax	43	2,031.55	3,135.3
VII.	PROFIT AFTER TAX		13,851.60	5,070.1
	Other comprehensive income			
	Items that will not be reclassified subsequently to profit or loss			
	Remeasurements of defined benefit (liability)/ asset		27.97	(97.81
	Income tax related to above items		(9.77)	34.1
/III.	OTHER COMPREHENSIVE INCOME (NET OF TAXES)		18.20	(63.63
Χ.	TOTAL COMPREHENSIVE INCOME FOR THE YEAR		13,869.80	5,006.5
<b>(</b>	EARNINGS PER EQUITY SHARE (EPS)			
	Profit attributable to equity shareholders		13,851.60	5,070.1
	Weighted average number of equity shares outstanding during the year (Refer Note 39)		45,600,000	45,600,00
	Nominal value of equity share		10	1
	Basic Earning per Share (EPS)	39	30.38	11.1:
	Diluted Earning per Share (EPS)	39	21.57	7.80

As per our report of even date

#### For, Surana Maloo & Co.

Chartered Accountants Firm Registration Number 112171W

#### For and Behalf of the Board of Directors

**Patel Infrastructure Limited** CIN: U45201GJ2004PLC043955

#### Per, S.D. Patel

Partner

Membership No: 037671

Place: Ahmedabad

Date: September 24, 2020

#### Pravinbhai V. Patel

Chairman & Director DIN: 00008911

#### Sandeep Sahni

Chief Financial Officer

Place : Vadodara Date : September 24, 2020

#### **Arvind V. Patel**

Managing Director DIN: 00009089

# **Aswini Kumar Sahu**

Company Secretary ICSI Membership No.: F7476

# **CASH FLOW STATEMENT**

as at March 31, 2020

#### PATEL INFRASTRUCTURE LIMITED

CIN: U45201GJ2004PLC043955

(₹in Lakhs)

PAI	RTICULARS	or the year ended March 31, 2020	For the year ended March 31, 2019
١.	CASH FLOW FROM OPERATING ACTIVITIES		
	Profit before tax	19,419.34	10,393.45
	Adjustment for:		
	Depreciation and Amortisation Expense	4,091.38	3,783.04
	Amortisation Expense on Leased Assets	115.43	•
	(Profit) / Loss on Sale of Items of Property, Plant and Equipment (net)	6.24	153.03
	Interest and other borrowing cost	9,250.62	5,591.61
	Amortisation cost on leased Assets	85.57	-
	Dividend Income	(147.30)	_
	Interest income on FDRs	(514.75)	(435.71)
	Provision for / (write back) of Expected Credit Loss (net)	194.67	211.58
	Fair valuation adjustment on security and other deposits (net)	(176.84)	421.74
	(Gain) / Loss arising on investment measured at FVTPL (net)	4.13	3.52
	Actuarial Gain / (Loss)	27.97	(97.81)
	Actualiai Guill / (E033)	27.07	(37.01)
	OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	32,356.46	20,024.45
	Adjustment For Working Capital Changes:		
	Changes in Inventories	(3,437.65)	(1,560.17)
	Changes in Trade Receivables	(10,296.10)	(6,299.40)
	Changes in Financial Assets and Other Assets	(10,466.19)	(2,302.05)
	Changes in Financial Liabilities and Other Payables	27,688.99	14,449.82
	Changes III I manetal Elabilities and Other Layables	27,000.99	14,443.02
	CASH GENERATED FROM OPERATIONS	35,845.51	24,312.65
	Direct Taxes paid (Net)	(4019.21)	(3,120.16)
	NET CASH FROM OPERATING ACTIVITIES	31,826.30	21,192.49
В.	CASH FLOW FROM INVESTING ACTIVITIES:		
	Purchase of Property Plant and Equipment (including advances for capital expend	liture) (40,35.54)	(9,620.99)
	Sale of Items of Property Plant and Equipment	64.17	105.94
	Investment in Subsidiaries (made) / sold	(17,009.56)	(16,294.30)
	Investment in Bonds (made)/ sold	(17,000.00)	30.00
	Dividend Income	147.30	-
	Interest income on FDRs	514.75	435.71
	Changes in FDRs other than Cash and Cash Equivalents	283.06	(1,003.19)
	NET CASH USED IN INVESTING ACTIVITIES	(20,035.82)	(26,346.83)
	THE TOACHTOLD IN INVESTIGATION ACTIVITIES	(20,000.02)	(20,040.00)
<b>D.</b>	CASH FLOW FROM FINANCING ACTIVITIES:		
	Proceeds from / (Repayments of) long term borrowings	7,889.46	9,110.96
	Proceeds / (Repayments) from short term borrowings	(10,172.30)	(301.97)
	Payment for leased assets	(180.83)	-
	Interest and other borrowing cost	(9,250.62)	(5,591.61)
	NET CASH GENERATED FROM/ (USED IN) FINANCING ACTIVITIES	(11,714.29)	(3,217.38)
	NET INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS	70.46	(1,936.96)
	NET INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS	76.19	(1,930.90)
	OPENING BALANCE- CASH AND CASH EQUIVALENT	242.71	2,179.67

#### **Notes to the Cash Flow Statement**

- 1. 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".
- 2. Cash and cash equivalent comprises of:

# **CASH FLOW STATEMENT**

as at March 31, 2020

# PATEL INFRASTRUCTURE LIMITED

CIN: U45201GJ2004PLC043955

(₹in Lakhs)

PARTICULARS	For the year ended March 31, 2020	For the year ended March 31, 2019
BALANCES WITH BANKS:		
- Current Accounts	188.10	211.78
- Cash credit account	73.75	-
Cash on hand	56.57	30.93
Cash in Transit	0.48	-
Cash and cash equivalents in Restated Standalone Statement of cash flow	318.90	242.71

As per our report of even date

For, Surana Maloo & Co.

**Chartered Accountants** Firm Registration Number 112171W For and Behalf of the Board of Directors

**Patel Infrastructure Limited** 

CIN: U45201GJ2004PLC043955

Managing Director DIN: 00009089

Per, S.D. Patel

Partner

Membership No: 037671

Pravinbhai V. Patel

Chairman & Director DIN: 00008911

**Aswini Kumar Sahu** 

**Arvind V. Patel** 

Company Secretary ICSI Membership No.: F7476

Sandeep Sahni

Chief Financial Officer

Place : Ahmedabad Date : September 24, 2020

Place : Vadodara Date : September 24, 2020

# STATEMENT OF CHANGES IN EQUITY

as at March 31, 2020

### PATEL INFRASTRUCTURE LIMITED CIN: U45201GJ2004PLC043955

#### A. EQUITY SHARE CAPITAL

(₹in Lakhs)

PARTICULARS	NO. OF SHARES	AMOUNT
Balance as at April 1, 2018	45,600,000	4,560.00
Changes in equity share capital during the year 2018-19		
Add: Bonus Shares issued during the year	-	-
Balance as at March 31, 2019	45,600,000	4,560.00
Balance as at April 1, 2019	45,600,000	4,560.00
Changes in equity share capital during the year 2019-20		
Add: Bonus Shares issued during the year	-	-
Balance as at March 31, 2020	45,600,000	4,560.00

#### **B. OTHER EQUITY**

(₹in Lakhs)

	RESERVES	AND SURPLUS			
PARTICULARS	RETAINED EARNINGS	OTHER COMPREHENSIVE INCOME - REMEASUREMENT OF DEFINED BENEFIT PLANS	DEBENTURE REDEMPTION RESERVE	OTHER EQUITY OCD	TOTAL
Balance as at April 1, 2018	30,095.84	17.43	-	-	30,113.27
Profit attributable to owners of the Company	5,070.19	-	-	-	5,070.19
Other comprehensive income arising from Remeasurement of defined benefit obligation net of income tax	-	(63.63)	-	-	(63.63)
Balance at the end of the year March 31, 2019	35,166.03	(46.20)	-	-	35,119.83
				-	
Balance as at April 1, 2019	35,166.03	(46.20)	-	-	35,119.83
Profit attributable to owners of the Company	13,851.60	_	-	-	13,851.60
Other comprehensive income arising from Remeasurement of defined benefit obligation net of income tax	-	18.20	-	-	18.20
Transfer to Debenture Redemption Reserve	(1,400.00)	-	1400.00	-	-
Other Equity OCD	-	-	-	-	582.44
Balance at the end of the year March 31, 2020	47,617.63	(28.00)	1400.00	582.44	49,572.07

As per our report of even date

For, Surana Maloo & Co.

**Chartered Accountants** Firm Registration Number 112171W For and Behalf of the Board of Directors

**Patel Infrastructure Limited** CIN: U45201GJ2004PLC043955

Per, S.D. Patel

Partner Membership No: 037671 Pravinbhai V. Patel

Chairman & Director DIN: 00008911

Sandeep Sahni

Chief Financial Officer

**Aswini Kumar Sahu** 

**Arvind V. Patel** Managing Director DIN: 00009089

Company Secretary ICSI Membership No.: F7476

Place: Ahmedabad

Date: September 24, 2020

Place: Vadodara

Date: September 24, 2020

# NOTES TO STANDALONE FINANCIAL STATEMENTS

PATEL INFRASTRUCTURE LIMITED CIN: U45201GJ2004PLC043955

#### 1. CORPORATE INFORMATION

Patel Infrastructure Limited ('the Company'), incorporated in 2004 under the provisions of Companies Act, 1956, is a company domiciled in India with its registered office situated at Patel House, besides Prakruti Resort, Chhani road, Chhani, Vadodara, Gujarat.

The company is engaged in the business of construction of roads and highways, bridges, irrigation and mining projects, construction of commercial buildings, and other ancillary services like toll collection, operation and maintenance of highways.

#### 2. BASIS OF PREPARATION

#### a. Basis of 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.

The financial statements were authorized for issue in accordance with a resolution of the directors on September 24, 2020

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.

#### b. Functional and Presentation Currency

These Standalone Financial Statements are presented in Indian Rupees (INR), which is the 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.

#### 3. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

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.

#### a. 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.

#### b. Key Sources of estimation uncertainties

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

#### Property, Plant and Equipment and Intangible Assets

Useful lives of tangible and intangible assets are based on the life prescribed in Schedule II of the Companies Act, 2013. In cases, where the useful lives are different from that prescribed in Schedule II, they are based on technical estimates and advice, taking into account the nature, estimated usage and operating conditions of the asset. Component Accounting is based on the management's best estimate of separately identifiable components of the asset.

#### 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 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.

#### Defined benefit plans

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

Information about the various estimates and assumptions made in determining the present value of defined benefit obligations are disclosed in Note 36.

#### Current / Deferred 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.

#### • Revenue Recognition based on Percentage of Completion

Based on the output performance method such as survey of performance 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.

#### • 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.

#### 4. SIGNIFICANT ACCOUNTING POLICIES

#### a. Property, Plant and Equipment

#### Recognition and Measurement

Property, Plant and Equipment are measured at cost of acquisition or construction less accumulated depreciation and accumulated impairment losses, if any. Cost includes purchase price, non-refundable taxes and duties and all other costs attributable to bringing the asset to its working condition for intended use and estimated costs of dismantling and removing items and restoring the site on which it is located. Financing costs relating to borrowing funds attributable to acquisition of Property, Plant and Equipment are also included, for the period till such asset is put to use.

Spare parts and servicing equipment are recognized as property, plant and equipment, if they meet the definition property, plant and equipment and are expected to be used for more than one year. All other items of spares and servicing equipment are classified as item of inventories.

Subsequent Expenditure is capitalized only if it is probable that the future economic benefit associated with the expenditure will flow to the company and cost of the asset can be measured reliably.

Property, Plant and Equipment not ready for its intended use on the reporting date is disclosed as Capital Work-in-Progress and carried at cost.

#### Depreciation

Depreciation on Property, Plant and Equipment is provided on the Straight Line Method (SLM) over the useful life of the assets as prescribed under Schedule II to the Companies Act, 2013. In respect of the Property, Plant and Equipment purchased during the year, depreciation is provided on pro rata basis from the date on which such asset is ready to be put to use. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any such change in the estimate accounted for on a prospective basis.

The estimated useful lives of items of Property, Plant & Equipment as prescribed in Schedule II of Companies Act, 2013 are as follows

ASSET CLASS	ESTIMATED USEFUL LIFE
Buildings (incl. temporary structures)	3 - 60 Years
Plant & Machineries	8 - 15 years
Office Equipment	5 years
Furniture & Fixtures	10 years
Vehicles	8 - 10 years
Computers & Peripherals	3 - 6 years

#### Derecognition

Carrying amount of Property, Plant and Equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Gain or loss arising on the disposal or retirement of an item of Property, Plant and Equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

#### b. Intangible Assets

#### Recognition and Measurement

Intangible assets with finite useful lives that are acquired separately are measured on initial recognition at cost and carried at cost less accumulated amortization and accumulated impairment losses.

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognized in profit and loss statement

#### Amortization

Amortization is calculated to write off the cost of intangible assets less their estimated residual values over their estimated useful lives using the straight-line method, amortization method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.

#### Derecognition

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognized.

#### c. Impairment of Tangible and Intangible Assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. 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 for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

#### d. Inventories

Stock of construction materials, stores & spares and embedded goods and fuel is valued at cost or net realizable value, whichever is lower after providing for obsolescence, if any, except in case of byproducts which are valued at net realizable value. Cost of inventories comprises of cost of purchase, cost of conversion and directly attributable overheads incurred in bringing them to their present location and condition. Cost is determined on moving average method.

#### e. Foreign Currency Transactions

Transactions in foreign currencies are translated into the respective functional currencies of the Company at the exchange rates at the date of the transaction or at an average rate if the average rate approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Nonmonetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Exchange differences are recognised in profit or loss.

#### f. 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.

#### g. Revenue Recognition

The Company has applied Ind AS 115 - Revenue from Contracts with Customers which is effective for an annual period beginning on or after April 1, 2018. The following is the significant accounting policy related to revenue recognition under Ind AS 115.

#### • Service income

It requires a contract as well as the various performance obligations contained in the contract to be identified. The number of performance obligations depends on the types of contracts and activities.

The fundamental principle is that the recognition of revenue from contracts with customers must reflect;

- The rate at which performance obligations are fulfilled, corresponding to the transfer to a customer of control of a good or service;
- Amount to which the seller expects to be entitled as consideration for its activities. The way in which transfer of control of a good or service is analyzed is crucial, since that transfer determines the recognition of revenue. The transfer of control of a good or service may take place continuously (revenue recognition on a progress towards completion basis) or on a specific date (recognition on completion).

Service income is recognized as per the terms of contracts with the customers when the related services are performed as per the stage of completion or on the achievement of agreed milestones and are net of indirect taxes, wherever applicable.

Contract amendments (relating to the price and/or scope of the contract) are recognized when approved by the client. Where amendments relate to new goods or services regarded as distinct under Ind AS 115, and where the contract price increases by an amount reflecting "stand-alone selling prices" of the additional goods or services, those amendments are recognized as a distinct contract.

Goods and Service Tax [GST] is not received by the Company on its own account. Rather, it is tax collected on value added to the goods by the Company on behalf of the government. Accordingly, it is excluded from revenue.

#### Sale of Goods

Revenue from the sale of goods is recognized as revenue on the basis of customer contracts and the performance obligations contained therein. Revenue is recognized at a point in time when the control of goods is transferred to a customer. Control lies with the customer if the customer can independently determine the use of and consume the benefit derived from a product or service. Revenue from product deliveries are recognized at a point in time based on an overall assessment of the existence of a right to payment, the allocation of ownership rights, the transfer of risks and rewards, and acceptance by the customer.

#### Other Income

Interest income is recognized on a time proportion basis, by reference to the principal outstanding and the applicable Effective Interest Rate (EIR). The EIR is the rate that exactly discounts estimated future cash payments or receipts through the expected life of financial instruments to:

- The gross carrying amount of the financial assets, or
- The amortized cost of the financial liability

Dividend income is recognized when the right to receive dividend is established.

#### h. Contract Balances

#### **Contract assets**

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

#### **Trade receivables**

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

#### **Contract liabilities**

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

#### i. Employee Benefits

#### Defined benefit plans

The company's gratuity benefit scheme is defined benefit plan. The company's net obligation in respect of defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. The Company accounts for the liability for the gratuity benefits payable in future based on an independent actuarial valuation carried out using Projected Unit Credit Method considering discounting rate relevant to Government Securities at the Balance Sheet Date.

Defined benefit costs in the nature of current and past service cost & net interest expense or income are recognized in the statement of profit and loss in the period in which they occur. Acturial gains and losses arising from defined benefit plans in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur and is reflected immediately in retained earnings & not reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment.

The Company determines the net interest expense/ (income) on the net defined benefit liability/ (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability/ (asset), taking into account any changes in the net defined benefit liability/ (asset) during the period as a result of contributions and benefit payments. Netinterest expense and other expenses related to defined benefit plans are recognized in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognized immediately in profit or loss. The Company recognizes gains and losses on the settlement of a defined benefit plan when the settlement occurs.

#### Defined Contribution plan

Company's contribution to provident fund and employee state insurance scheme are considered as defined contribution plans and are charged as an expense as they fall due based on the amount of contribution required to be made and when services are rendered by the employee.

#### Compensated Absences

Employees can carry forward a portion of the unutilized accrued leaves and utilize it in future service periods or receive cash compensation on termination of employment. Provision for Compensated Absences and its classifications between current and non-current liabilities are based on independent actuarial valuation. The actuarial valuation is done as per the projected unit credit method as at the reporting date.

#### Short Term Employee Benefits

All employee benefits falling due wholly within twelve months of rendering the service are classified as short term employee benefits. These are measured on an undiscounted basis and expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

#### i. 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 and item recognized directly in equity or in other comprehensive income.

#### Current Tax

Current tax comprises of the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current income tax liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantially enacted at the reporting date.

The company being company providing an infrastructure development / maintenance and operation services is eligible to claim deduction u/s 80IA of Income-tax Act, 1961 with respect to 100% profits or gains for this business for any 10 consecutive assessment years out of 15 years beginning from the year in which the undertaking or the enterprise develop and begins to operate an infrastructure facility.

#### Deferred Tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities in the company's financial statements and the corresponding tax bases used in computation of taxable profit. Deferred Tax is also recognized in respect of carried forward tax losses and tax credits.

Deferred tax assets are generally recognised for all taxable temporary differences to the extent that is probable that taxable profits will be available against which those deductible temporary differences can be utilised. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

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

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the company expects, at the end of reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

Any tax credit available is recognised as deferred tax to the extent that it is probable that future taxable profit will be available against which the unused tax credit can be utilized. The said asset is created by way of credit to the statement of Profit and loss and shown under the head of deferred tax.

Minimum Alternate Tax (MAT) eligible for set-off in subsequent years (as per tax laws), is recognized as an asset by way of MAT credit entitlement to the Statement of Profit and Loss only if there is convincing evidence of its realization. At each Balance Sheet date, the carrying amount of MAT Credit Entitlement receivable is reviewed to reassure realization

#### k. Segment Reporting

In accordance with the requirements of Ind AS 108 - "Segment Reporting", the Company is primarily engaged in a business of Infrastructure Development and has no other primary reportable segments. Further, the Company operates on Pan India basis and accordingly has no reportable geographical segments. The Managing Director of the Company allocates the resources and assess the performance of the Company, thus he is the ChiefOperating Decision Maker (CODM). The CODM monitors the operating results of the business as a single segment, hence no separate segment needs to be disclosed.

#### 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 uncer tainties 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 valu 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.

#### m. 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.

#### • Equity Investment in Subsidiaries and Associates

Investments in equity shares of subsidiaries and associates and other equity investments in subsidiaries in subsidiaries and associates are carried at cost less impairment, if any.

#### Investments in Equity Instruments

All Equity Investments falling within the scope of Ind AS – 109 are measured at Fair Value through Profit and Loss (FVTPL) with all fair value changes being recognized in profit and loss statement.

#### 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 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.

For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

#### 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 derecognised as well as through the EIR amortisation process.

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

#### iii. Derecognition of financial liabilities

A financial liability (or a part of a financial liability) is derecognised 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 realise the assets and settle the liabilities simultaneously.

#### n. Lease

#### Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

#### i. Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis from the commencement date to the end of lease term. If ownership of the leased asset transfers to the Company at

the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. Refer to the accounting policies of Impairment of non-financial assets.

#### ii. Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs. In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

#### iii. Short term leases and leases of low value of assets

The Company applies the short-term lease recognition exemption to its short-term leases of machinery and equipment. It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

#### Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

#### **Transition to Ind AS 116 Leases**

The Ministry of Corporate Affairs ("MCA") through the Companies (Indian Accounting Standards) Amendment Rules, 2019 has notified Ind AS 116 Leases ('Ind AS 116') which replaces the existing lease standard, Ind AS 17 Leases. Ind AS 116 sets out the principles for recognition, measurement, presentation and disclosure of leases for both lessees and lessors.

Effective April 1, 2019, the Company has adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on the date of initial application i.e. April 1, 2019. The Company has used the modified retrospective approach for transitioning to Ind AS 116 with right-of-use asset recognized at an amount equal to the lease liability. Accordingly, comparatives for the year ended March 31,2019 have not been retrospectively adjusted.

The above approach has resulted in a recognition of a right of-use asset of Rs.267.74 Lakhs and a lease liability of Rs.267.74 Lakhs on the date of initial application. The Impact on the profit for the year ended is not material. Further details about Leases are given in Note 5(a).

#### o. 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
- 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)

#### p. Cash and Cash Equivalents

Cash and Cash Equivalents in the Balance Sheet comprise cash on hand, bank balance in current and cash credit accounts and short term highly liquid instruments.

#### q. Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

#### r. Interest in Joint Arrangements

As per Ind AS 111 - Joint Arrangements, investment in Joint Arrangement is classified as either Joint Operation or Joint Venture. The classification depends on the contractual rights and obligations of each investor rather

than legal structure of the Joint Arrangement.

#### In case of Joint Operation

The Company recognises its direct right to assets, liabilities, revenue and expenses of Joint Operations and its share of any jointly held or incurred assets, liabilities, revenues and expenses. These have been incorporated in the financial statements under the appropriate headings and are included in the segments to which they relate.

The audited financial information of below mentioned joint operations ventured by the company for years mentioned there against have been included in the standalone financial statements:

JOINT OPERATION	DATE OF FORMATION	CONTROLLING SHARE
PIPL KCL JV	17.09.2013	51
Sadbhav PIPL JV	21.07.2015	49
Kalthia Engineering & Construction Limited Patel Infrastructure Private Limited Joint Venture	09.03.2015	30

CAPITAL WORK-IN-PROGRESS AND INTANGIBLE ASSETS

**NOTE 5 - PROPERTY, PLANT & EQUIPMENT,** 

PATEL INFRASTRUCTURE LIMITED CIN: U45201GJ2004PLC043955

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					PROPERTY	PROPERTY, PLANT & EQUIPMENT	JIPMENT							OTHER INTANGIBLE ASSETS
GROSS BLOCK	FREE HOLD LAND	BUILDINGS	PLANT & MACHINERY	EARTH MOVERS	COMPUTERS	TW0 WHEELERS	FURNITURE & FIXTURES	MOTOR Vehicles	OFFICE EQUIPMENT	MOTOR Lories	TOTAL	CAPITAL WORK IN PROGRESS	INTANGIBLES ONDER DEVELOPMENT	COMPUTER SOFTWARE
Balance as at April 1, 2018	2,359.78	411.95	16,103.11	3,098.83	366.44	10.28	634.82	1,164.20	293.75	6,258.27	30,701.44	,	ı	323.55
Additions	71.19	1	5,266.17	1,875.16	102.21	7.88	316.27	171.55	118.94	1,550.16	9,479.54	262.62	1	4.71
Disposals	ı	1	413.86	•	1	2.21	ı	114.56	1	5.19	535.83	1	1	1
Balance as at March 31, 2019 2,430.97	2,430.97	411.95	411.95 20,955.42 4,974.00	4,974.00	468.66	15.95	951.09	1,221.19	412.69	7,803.23 39,645.15	39,645.15	262.62	ı	328.26
Balance as at April 1, 2019	2,430.97	411.95	20,955.42	4974.00	468.66	15.95	951.09	951.09 1,221.19	412.69	7,803.23	39,645.15	262.62	ı	328.26
Additions	938.71	1	23,76.50	239.93	80.01	4.38	308.48	378.76	82.79	286.27	4,695.82	1	1	1
Disposals	ı	1	146.36	•	2.15	0.42	ı	84.80	0.91	1	234.66	262.62	1	•
Balance as at March 31, 2020 3,369.68	3,369.68	411.95	411.95 23,185.54 5,213.93	5,213.93	546.52	19.91	1,259.56	1,515.15	494.58	8,089.50 44,106.32	44,106.32	•	1	328.26

PLANT & EARTH   MOVERS   COMPUTERS   WHEE		PROPERTY, PLANT & EQUIPMENT	UIPMENT							OTHER INTANGIBLE ASSETS
- 22.02 2,408.36 540.83 109.61 - 11.34 1,810.60 549.94 79.17 - 186.15 186.15 33.36 4,032.81 1,090.77 188.78 - 33.36 4,032.81 1,090.77 188.78 - 8.94 1,949.61 540.52 84.27 - 128.48 - 2.07	EARTH MOVERS	TWO PUTERS WHEELERS	FURNITURE & FIXTURES	MOTOR Vehicles equ	OFFICE QUIPMENT	MOTOR Lories	TOTAL	CAPITAL WORK IN PROGRESS	INTANGIBLES UNDER DEVELOPMENT	COMPUTER SOFTWARE
- 11.34 1,810.60 549.94 79.17 - 186.15 186.15 - 33.36 4,032.81 1,090.77 188.78 - 33.36 4,032.81 1,090.77 188.78 - 8.94 1,949.61 540.52 84.27 - 128.48 - 2.07		109.61 3.61	130.26	253.64	96.05	1,467.29	5,031.66	1	ı	39.26
- 33.36 4,032.81 1,090.77 188.78 - 33.36 4,032.81 1,090.77 188.78 - 8.94 1,949.61 540.52 84.27 - 128.48 - 2.07		79.17 2.05	87.23	168.64			3,751.17	1	ı	31.87
- 33.36 4,032.81 1,090.77 188.78 - 33.36 4,032.81 1,090.77 188.78 - 8.94 1,949.61 540.52 84.27 - 128.48 - 2.07	186.15 -	- 1.58	1	84.19		4.93	276.85	-	1	ı
- 33.36 4,032.81 1,090.77 188.78 - 8.94 1,949.61 540.52 84.27 - 128.48 - 2.07	1,090.77	88.78 4.07	217.50	338.08	160.35	2,440.26	8,505.98	1	1	71.13
- 8.94 1,949.61 540.52 84.27 - 128.48 - 2.07	1,090.77		217.50	338.08		2,440.26	8,505.98	•	ı	71.13
- 128.48 - 2.07		84.27 2.23	167.50	170.96	113.39	1,028.76	4,066.19	1	1	25.20
40.04	128.48 -		1	33.01	0.35	•	164.24	•	1	1
5,655.94 1,051.26 2/0.96	5,853.94 1,631.28 2	270.98 5.97	385.00	476.03	273.39	273.39 3,469.02 12,407.92	12,407.92	1	1	96.32

					PROPERTY	, PLANT & EQ	UIPMENT							OTHER INTANGIBLE
FREE	FREE HOLD	9	PLANT &	EARTH	o di Eli	0MT	FURNITURE &	MOTOR	OFFICE	MOTOR	A LOP	CAPITAL WORK IN	INTANGIBLES UNDER	COMPUTER
		BUILDINGS	MACHINERY	MOVERS	COIMIPULERS	WHEELERS	LIVIONES	VEHICLES	EQUIPINIENT	LURIES	IOIAL	PRUGRESS	DEVELOPIMENI	
2,43	,430.97	378.58	16,922.61 3,883.23	3,883.23	279.88	11.88	733.59	883.11	252.34	5,362.97	31,139.17	262.62	1	257.13
3,36	369.68	369.64	17,331.60	3,582.65	275.54	13.93	874.56	1,039.12	221.18	4,620.48	31,698.39	1	1	231.93

- Other Notes

  (a) Individual assets of Property, Plant and Equipment has been reclassified wherever necessary.

  (b) Refer Note 18.1, 18.2 and 22.1 for assets mortgaged / hypothecated as security.

  (c) Estimated useful life of the assets is in line with useful life prescribed in schedule II of The Companies Act, 2013.

#### PATEL INFRASTRUCTURE LIMITED

CIN: U45201GJ2004PLC043955

# NOTES TO STANDALONE FINANCIAL STATEMENT Note 5(a): Right of use assets

Gross Block (At cost) (₹ in Lakhs)

PARTICULARS	AMOUNT
Balance as at April 01, 2019	-
(Transition Impact on adoption of Ind AS 116 – Refer note 5(b))	-
Additions:	267.74
Addition on account of adoption of Ind AS 116 (Refer note 5(b))	267.74
Ralance as at March 31, 2020	

#### Accumulated amortisation

PARTICULARS	AMOUNT
Balance as at April 01, 2019	-
Amortisation for the year	-
Addition on account of adoption of Ind AS 116 (Refer note 5(b))	115.43
Balance at March 31, 2020	115.43
Carrying amounts (net) as at March 31, 2020	152.31

# Note 5(b): Leases

#### **Transition to Ind AS 116, Leases**

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified the Ind AS 116 Leases which replaces the existing lease standard, Ind AS 17 Leases, and other interpretations. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors.

Effective 1 April, 2019, the Company adopted Ind AS 116 – Leases and applied the standard to all lease contracts existing on 1 April, 2019 using the modified retrospective method. The Company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate at the date of initial application and right of use asset at an amount equal to the lease liability adjusted for any prepayments/accruals recognised in the balance sheet as on 31 March, 2019. There is no impact on retained earnings as on 1 April, 2019.

The Company has elected below practical expedients on transition to Ind AS 116:

- 1. Applied a single discount rate to a portfolio of leases with reasonably similar characteristics.
- 2. Applied the exemption not to recognise right of use assets and lease liabilities with less than 12 months of lease term on the date of initial application.
- 3. Excluded the initial direct costs from the measurement of right of use asset at the date of initial application.
- 4. Elected not to reassess whether a contract is, or contains a lease at the date of initial application. Instead, for contracts entered into before the transition date, the Company relied on its assessment made applying Ind AS 17 Leases.
- 5. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified assets for a period of time in exchange for consideration.
- 6. Ind AS 116 introduces a single, on-balance sheet lease accounting model for lessees. The Company has adopted Ind AS 116, effective annual reporting period beginning 1 April, 2019 and applied the standards to its leases, prospectively, applying the standards on initial application without making any adjustment to opening balance of retained earnings.
- 7. The Company has elected not to apply the requirements of Ind AS 116 to short term leases of all the assets that have a lease term of twelve months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight line basis over the lease term.

8. The weighted average incremental borrowing rate applied to lease liabilities as at 1 April, 2019 is 10%.

The following is the movement in lease liabilities during the year ended 31 March, 2020

(₹in Lakhs)

PARTICULARS	AMOUNT
Balance as at April 01, 2019	
Lease liabilities on account of adoption of Ind AS 116	267.74
Interest on lease liability (Refer Note 31)	85.57
Payments of lease liabilities	180.83
Balance as at March 31, 2020	172.48

#### **Bifurcation of Lease Liabilties:**

(₹in Lakhs)

PARTICULARS	AMOUNT
Current	118.92
Non Current	53.56

### Disclosure of Operating Leases under Ind AS 17

#### Leases as lessee

The Company has obtained premises (office, residential and godowns), machineries and cars taken on lease. The terms of lease include terms of renewals, increase in rent in future period, terms of cancellation, etc. The agreements are executed for a period of 11 months to 37 months with a renewable clause and also provide for termination at will by either party giving a prior notice of 1 to 3 months at any time during the lease term.

#### Amounts recognised in the Standalone Statement of Profit and Loss

(₹in Lakhs)

PARTICULARS	AMOUNT
Rent Expenses (Refer Note 32)	253.52
Total	253.62

CIN: U45201GJ2004PLC043955

# NOTES TO STANDALONE FINANCIAL STATEMENT

#### Note 6: Investments

(₹in Lakhs)

PARTICULARS	As at March 31, 2020	As at March 31, 2019
Investment in subsidiaries		
Equity instruments - Unquoted		
75,00,000 (P.Y. 75,00,000) Equity Shares (including Nominee Shareholders) in Patel Highway Management Private Limited, of Rs. 10 fully paid up	755.20	755.20
49,09,900 (P.Y. 49,09,900) Equity Shares in Patel Bridge Nirman Private Limited, of Rs. 10 fully paid	490.99	490.99
10,000 (P.Y. 10,000) Equity Shares (including Nominee Shareholders) in Patel Hospitality Private Limited, of Rs. 10 fully paid up	1.00	1.00
2,38,30,000 (P.Y. 10,000) Equity Shares (including Nominee Shareholders) in Patel Sethiyahopu-Cholopuram Highway Private Limited, of Rs. 10 fully paid up	2,383.00	1.00
2,00,10,000 (P.Y. 2,00,10,000 ) Equity Shares (including Nominee Shareholders) in Patel Cholapuram Thanjavur Highway Private Limited, of Rs. 10 fully paid up	2,001.00	2,001.00
3,40,00,000 (P.Y. 1,80,10,000) Equity Shares (including Nominee Shareholders) in Patel Darah Jhalawar Highway Private Limited, of Rs. 10 fully paid up	3,400.00	1,801.00
5,20,00,000 (P.Y. 10,000) Equity Shares (including Nominee Shareholders) in Patel Vadodara Kim Expressway Private Limited, of Rs. 10 fully paid up	5,200.00	1.00
Other Equity (Refer Note 6.1)		
Patel Cholapuram Thanjavur Highway Private Limited	7,984.55	4,589.56
Patel Darah Jhalawar Highway Private Limited	6,088.86	4,970.93
Patel Sethiyahopu-Cholopuram Highway Private Limited	1,125.05	3,357.68
Patel Vadodara Kim Expressway Pvt Ltd	6,629.46	1,080.20
Investment in equity instruments		
Quoted		
4,500 Equity Shares in IRB Infra Developers Limited, of Rs. 10 fully paid up	2.39	6.52
24 Equity Shares in Reliance Power Limited, of Rs. 10 fully paid up	-	0.00
Unquoted		
10,000 Equity Shares in Jay Hind Leasing & Finance Limited, of Rs. 10 fully paid up	1.00	1.00
2,50,000 Equity Shares in Grand Mahi Club & Banquets Private Limited, of Rs. 10 fully paid up	25.00	25.00
12 Equity in The Sarvoday Co-Op. Credit Soc. Limited, of Rs. 10 fully paid up	0.03	0.03
2 Equity in The Co-Op. Bank of Rajkot Limited, of Rs. 25 fully paid up	-	
Investments in Bonds		
Sardar Sarovar Narmada Nigam Bond	32.13	32.13
Total	36,119.66	19,114.23

Note 6.1: Investment in other Equity includes Investment by way of Sub - ordinate Loan / Interest free Loan given to Subsidiaries accounted for as an equity investment since it is to be maintained during the concession period of respective projects.

Note 6.2: Total equity shares of Patel Highway Management Private Limited are pledged in favour of Vistra ITCL (India) Limited (A common Security Trustee).

Note 6.3: Out of total equity shares of Patel Darah Jhalawar Highway Private Limited 51% equity shares are pledged with the bank for the benefit of lender till currency of loan borrowed.

Note 6.4 : Out of total equity shares of Patel Vadodara Kim Expressway Private Limited, 51% equity shares are pledged with the bank for the benefit of lender till currency of loan borrowed.

Note 6.5: Out of total equity shares of Patel Cholapuram Thanjavur Highway Private Limited, 30% equity shares are pledged with the bank for the benefit of lender till currency of loan borrowed. Further, the company has committed to pledge equity shares to the extent of 51% to the lender and Balance are pledged in favour of Vistra ITCL (India) Limited (A common Security Trustee).

Note 6.6: Out of total equity shares of Patel Sethiyahopu-Cholopuram Highway Private LimitedLimited, 51% equity shares are pledged with the bank for the benefit of lender till currency of loan borrowed and balance are pledged in favour of Vistra ITCL (India) Limited (A common Security Trustee).

Note 6.7: Refer Note 34 for Related party transactions and outstanding balances.

Note 6.8: In case of investments in shares of private limited companies which are immaterial to the company and where fair value is not readily available from the market observable inputs are valued at Cost.

The aggregate book value and market value of quoted non - current investments and book value of un-quoted non-current investments are as follows : (₹ in Lakhs)

PARTICULARS	AS AT MARCH 31, 2020	AS AT MARCH 31, 2019
Quoted non-current investments in Equity Instruments		
Aggregate book value	8.39	8.39
Aggregate market value	2.39	6.52
Aggregate book value of un-quoted non-current investments	36,117.27	19,107.71

# Note 7: Other Non current financial assets

(₹in Lakhs)

PARTICULARS	AS AT MARCH 31, 2020	AS AT MARCH 31, 2019
Security deposits and retention money	45.76	3,221.51
Fixed Deposits - Maturing after 12 months from reporting date*	2,906.29	1,623.72
Total	2,952.05	4,845.23

<sup>\*</sup>Above Fixed Deposits made with bank, are given to customers as Security and Earnest Money Deposit and Lien Marked with bank.

# Note 8: Deferred Tax (Assets)/Liabilities (Net)

(₹in Lakhs)

PARTICULARS	AS AT MARCH 31, 2020	AS AT MARCH 31, 2019
Deferred Tax Liabilities		
Excess of depreciation and amortization on fixed assets under income tax law over depreciation and amortization provided in accounts	5,130.71	4,961.90
Fair Valuation of financial liabilities	149.64	216.76
Prepaid Expenses	271.74	-
Less: Deferred Tax Assets		
Provision for Expected Credit Loss	367.72	299.70
Provision for Gratuity	248.67	209.73
Provision for Compensated absences	64.69	59.69
Provision for Bonus	149.80	188.03
Fair Valuation of non-current Investment carried at FVTPL	2.12	0.67
Fair Valuation of financial assets	45.15	174.06
Capital Expenditure allowable in future years under Income Tax Law	108.18	108.18
MAT Credit Entitlement	885.02	2,499.18
Net Deferred Tax Liabilities	3,680.74	1,639.42

Note 8.1 Refer Note 43 for Movement in Deferred Taxes.

# **Note 9: Other Non current assets**

(₹in Lakhs)

PARTICULARS	AS AT MARCH 31, 2020	AS AT MARCH 31, 2019
Security deposits and retention money	278.63	234.46
Advances for capital goods	207.49	605.16
Prepaid Expenses	70.15	176.33
Total	556.27	1,015.95

Note 9.1 Refer Note 34 for Related party transactions and outstanding balances.

### Note 10: Inventories

(₹in Lakhs)

PARTICULARS	AS AT MARCH 31, 2020	AS AT MARCH 31, 2019
Construction Material	11,626.26	8,188.61
Total	11,626.26	8,188.61

Note 10.1: Construction material are hypothecated to bank against working capital facility.

Note 7.1 Refer Note 34 for Related party transactions and outstanding balances.

# **Note 11: Trade Receivables**

(₹in Lakhs)

PARTICULARS	AS AT MARCH 31, 2020	AS AT MARCH 31, 2019
Unsecured, considered good	38,932.23	28,636.13
	38,932.23	28,636.13
Allowance for expected credit loss (Refer Note 11.2)	1,052.32	857.65
Total	37,879.91	27,778.48

Note 11.1 Trade receivables are hypothecated to bank against working capital facility. (Refer Note 22.1)

Note 11.2 Since, majority of receivables to the company are from Government Authorities and from subsidiary companies, they are relatively secured from credit losses in the future. Provision for expected delay in realisation of trade receivables beyond contractual terms is determined using a provision matrix which takes into account available external and internal liquidity risk factors including historical experience and adjusted for forward looking information. The Company uses an estimated economic value based on age of receivables to compute the expected credit loss allowance.

# **Ageing of Receivables**

(₹in Lakhs)

PARTICULARS	AS AT MARCH 31, 2020	AS AT MARCH 31, 2019
Outstanding for a period less than six months	37,353.43	27,288.12
Outstanding for a period more than six months	1,578.80	1,348.01
Total Receivables	38,932.23	28,636.13

# **Change in Allowance for Expected Credit Loss**

(₹in Lakhs)

PARTICULARS	AS AT MARCH 31, 2020	AS AT MARCH 31, 2019
At the beginning of the year	857.65	646.07
Addition During the year	194.67	211.58
Provision at the end of the year	1,052.32	857.65

# Note 12: Cash and Bank Balance

(₹in Lakhs)

PARTICULARS	AS AT MARCH 31, 2020	AS AT MARCH 31, 2019
(A) Cash and Cash Equivalents		
a) Balance with banks		
- In Current Accounts	188.10	211.78
- In Cash Credit Accounts	73.75	-
b) Cash on hand	56.57	30.93
c) Cash in Transit	0.48	-
Total (A)	318.90	242.71
(B) Bank balances other than Cash and Cash equivalents		
Fixed Deposits - Maturing within 12 months from reporting date*	4,903.58	5,653.92
Fixed Deposits for NCD- Maturing within 12 months from reporting date**	467.28	-
Total (B)	5,370.86	5,653.92
Total (A+B)	5,689.76	5,896.63

<sup>\*</sup>Above Fixed Deposits made with bank is given to customers as Security and Earnest Money Deposit and Lien Marked with bank for working capital facilities.

# **Note 13: Other Current financial assets**

(₹in Lakhs)

PARTICULARS	AS AT MARCH 31, 2020	AS AT MARCH 31, 2019
Security deposits and retention money	24,440.84	10,578.29
Loan to subsidaries	11.70	0.33
Advances to employees	33.35	19.64
Interest Receivable on Fixed Deposit Receipt	36.95	8.04
Total	24,522.84	10,606.30

Note 13.1 Refer Note 34 for Related party transactions and outstanding balances.

<sup>\*\*</sup>Above Fixed Deposits made with bank is given to Debenture Trustees as Security Deposit and Lien Marked with bank for Debenture.

### Note 14: Current tax assets (Net)

(₹in Lakhs)

PARTICULARS	AS AT MARCH 31, 2020	AS AT MARCH 31, 2019
Current tax assets	7,299.89	5,660.52
Current tax liabilities	3,346.15	2,189.82
Current tax assets (Net)	3,953.74	3,470.70

### Note 15: Other current assets

(₹in Lakhs)

PARTICULARS	AS AT MARCH 31, 2020	AS AT MARCH 31, 2019
Unbilled Revenue	5,290.84	13,295.10
Prepaid Expenses	1,427.74	911.20
Balance with Government Authorities	6,986.53	5,461.40
Advance to Suppliers	4,967.93	1,023.21
Other current assets	333.78	-
Unamortized Expenditure for Improvements to Rented Building	-	3.12
Total	19,006.82	20,694.04

Note 15.1 Refer Note 34 for Related party transactions and outstanding balances.

### **Note 16: Equity Share Capital**

### a) Authorized, Issued, Subscribed & Paid up Equity Share Capital

(₹in Lakhs)

PARTICULARS	AS AT MARCH 31, 2020	AS AT MARCH 31, 2019
Authorised:		
7,00,00,000 (P.Y. 7,00,00,000) Equity share capital of Rs.10 Each	7,000.00	7,.000.00
Issued, Subscribed & fully Paid up:		
4,56,00,000 equity share capital of Rs.10 Each fully paid up	4,560.00	4,560.00
Total	4,560.00	4,560.00

### b) Reconciliation of the Equity shares outstanding at the end of the reporting period :

(₹in Lakhs)

PARTICULARS	AS AT MARCH 31, 2020	AS AT MARCH 31, 2019
Equity Shares at the beginning of the year	45,600,000	45,600,000
Add: Bonus Shares issued during the year	-	-
Equity Shares at the end of the year	45,600,000	45,600,000

### c) 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.

### d) Shares with voting rights held by each share holder holding more than 5% Equity shares of the Company:-

PARTICULARS	AS AT MARCH 31, 2020	AS AT MARCH 31, 2019
Pravinbhai Patel	14,220,000 31.18%	14,220,000 31.18%
Arvindbhai Patel	14,220,000 31.18%	14,220.000 31.18%
Dineshbhai Vaviya	4,560,000 10.00%	4,56,0000 10.00%
Madhubhai Vaviya	4,560,000 10.00%	4,560,000 10.00%
Sureshbhai Vaviya	4,560,000 10.00%	4,560,000 10.00%

### e) Aggregate number of shares issued as bonus issue during the period of five years immediately preceding the reporting date.

Company had issued 41,800,000 Equity Shares as fully paid up bonus shares during the FY 2017-18.

f) Refer Note No. 18.2 for securities issued outstanding which are convertible into Equity Shares.

PARTICULARS	AS AT MARCH 31, 2020	AS AT MARCH 31, 2019
Retained earnings - Surplus of Profit and Loss		
Balance at the beginning of the year	35,166.03	30,095.84
Profit attributable to owners of the Company	13,851.60	5,070.19
Transfer to Debenture Redemption Reserve	1,400.00	-
Balance at the end of the year	47,617.63	35,166.03
Other Comprehensive Income - Remeasurement of Defined Benefit Plans		
Balance at the beginning of the year	(46.20)	17.43
Actuarial Gain / Loss on Defined Benefit Plans	18.20	(63.63)
Balance at the end of the year	(28.00)	(46.20)
Debenture Redemption Reserve		
Balance at the beginning of the year	-	-
Add: Transfer during the year	1,400.00	-
Balance at the end of the year	1,400.00	-
Equity Component of Compound Financial Instruments (Refer Note 18.2)		
Balance at the beginning of the year	-	-
Add: Transfer during the year	582.44	-
Balance at the end of the year	582.44	-
Total Other Equity	49,572.07	35,119.83

### **Note 18: Long Term Borrowings**

(₹in Lakhs)

PARTICULARS	AS AT MARCH 31, 2020	AS AT MARCH 31, 2019
(A) Senior, Secured, Unlisted 14% Redeemable Non Convertible Debenture - Series IA (Refer Note 18.2)		-
Balance at the beginning of the year	-	-
Issued during the year	5,250.00	-
Less: Transaction costs in accordance with Ind AS 109	(68.84)	-
Balance at the end of the year	5,181.16	
(B) Senior, Secured, Unlisted 14.5% Redeemable Non Convertible Debenture -Series IB (Refer Note 18.2) Balance at the beginning of the year	-	-
Issued during the year	5,250.00	-
Less: Transaction costs in accordance with Ind AS 109	(78.54)	-
Balance at the end of the year	5,171.46	-
(C) Senior, Secured, Unlisted 8% Optionally Convertible Debenture (Refer Note 18.2)		-
Balance at the beginning of the year	-	-
Issued during the year	2,917.56	-
Balance at the end of the year	2,917.56	-
		0.70111
(D) Secured Term loan from banks	4,744.31	8,724.14
(E) Secured Term loan from Financial Institutions	712.93	2,696.27
Total Long Term Borrowings	18,727.42	11,420.40

Refer Note 18.1 and Note 18.2 for details relating to the long term borrowings

### **Note 19: Other Non current financial liabilities**

(₹in Lakhs)

PARTICULARS	AS AT MARCH 31, 2020	AS AT MARCH 31, 2019
Security deposits and retention money	1,831.58	2,383.95
Interest accrued but not due	1,856.50	398.46
Total	3,688.08	2,782.41

Note 19.1 Refer Note 34 for Related party transactions and outstanding balances.

### **Note 20: Long term provisions**

(₹in Lakhs)

PARTICULARS	AS AT MARCH 31, 2020	AS AT MARCH 31, 2019
Provision for Gratuity (Refer Note 36)	539.52	2 469.49
Provision for Compensated Absences (Refer Note 36)	136.32	2 124.83
Total	675.84	594.32

### Note 21: Other Non current liabilities

(₹in Lakhs)

PARTICULARS	AS AT MARCH 31, 2020	AS AT MARCH 31, 2019
Advances from customers	11,987.97	7,844.07
Total	11,987.97	7,844.07

Note 21.1 Refer Note 34 for Related party transactions and outstanding balances.

### **Note 22: Short Term Borrowings**

(₹in Lakhs)

PARTICULARS	AS AT MARCH 31, 2020	AS AT MARCH 31, 2019
Secured borrowings from banks	10,320.82	15,173.80
Unsecured borrowings from banks	2,618.37	7,288.98
Loans and Advances from related party	78.19	726.90
Total	13,017.38	23,189.68

Refer Note 22.1 for details relating to the short term borrowings.

### Note 23: Trade payables

(₹in Lakhs)

PARTICULARS	AS AT MARCH 31, 2020	AS AT MARCH 31, 2019
(A) To Micro, Small and Medium Enterprises (Refer Note 23.2)	-	_
(B) Operational buyers Credit and Suppliers' Credit (Letter of Credit) (Refer Note 23.3)	6,465.42	-
(C) Others	29,018.84	27,149.26
Total	35,484.26	27,149.26

Note 23.1: Trade Payable are payable on account of goods purchased and services availed in the normal course of business.

Note 23.2: 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.

(₹in Lakhs)

		, , ,
PARTICULARS	AS AT MARCH 31, 2020	AS AT MARCH 31, 2019
Principal remaining unpaid to any supplier as the year end	-	-
Interest due thereon	-	-
Amount of interest paid by company in terms of section 16 of the MSMED, along with the amount of the payment made to the supplier beyond the appointed day during the accounting year.	-	-
Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding the interest specified under the MSMED	-	-
Amount of interest accrued and remaining unpaid at the end of the accounting year / period.	-	-
Amount of further interest remaining due and payable even in succeeding years.	-	-

Note 23.3 : Operational Buyers' Credit and Suppliers' Credit (Letter of Credit) is availed from various banks. These trade credits are largely repayable upto 90 days from the date of draw down. Part of these facilities are secured by first pari passu charge over the present and future current assets of the Company.

Note 23.4: Refer Note 34 for Related party transactions and outstanding balances.

### Note 24: Other current financial liabilities

(₹in Lakhs)

PARTICULARS	AS AT MARCH 31, 2020	AS AT MARCH 31, 2019
Current maturities of long term borrowings (Secured) (Refer Note 18.1)		
- From Banks	3,621.18	4,031.91
- From Financial Institutions	758.87	2,859.16
Employee related dues	1,563.07	1,223.15
Creditors for capital expenditure	282.20	463.70
Security deposits and retention money	12,600.98	4,347.81
Other Current Liabilities	-	1.38
Interest Accrued but not due	307.23	89.94
Total	19,133.53	13,017.05

Note 24.1 Refer Note 34 for Related party transactions and outstanding balances.

### **Note 25: Short term provisions**

(₹in Lakhs)

PARTICULARS	AS AT MARCH 31, 2020	AS AT MARCH 31, 2019
Provision for Gratuity (Refer Note 36)	172.10	130.70
Provision for Compensated Absences (Refer Note 36)	48.81	45.98
Total	220.91	176.68

### Note 26: Other current liabilities

(₹in Lakhs)

PARTICULARS	AS AT MARCH 31, 2020	AS AT MARCH 31, 2019
Advances from customers	12,171.44	4,663.43
Statutory Dues payable	1,297.82	1,112.54
Total	13,469.26	5,775.97

### **Note 27: Revenue from Operations**

(₹in Lakhs)

PARTICULARS	FOR THE YEAR ENDED MARCH 31, 2020	FOR THE YEAR ENDED MARCH 31, 2019
Sale of Services		
Contract Revenue	18,8431.03	12,2613.30
Other Operating Revenue		
Material sales	14,107.28	2,614.37
Sale of Scrap	126.31	138.83
Total	202,664.62	125,366.50

Note 27.1 Refer Note 34 for Related party transactions.

### Note 28: Other Income

(₹in Lakhs)

		( CIT Edition
PARTICULARS	FOR THE YEAR ENDED MARCH 31, 2020	FOR THE YEAR ENDED MARCH 31, 2019
(A) Income on Financial Assets carried at Amortised Cost		
Interest on Deposits with Banks	514.75	435.71
Dividend Income	147.30	0.11
Fair valuation of Security and Other Deposits	368.90	424.31
(B) Other Non-operating Income		
Income from Equipment Hiring	94.40	6.60
Other Interest	79.73	8.57
Miscellaneous Income	586.74	274.38
Insurance claim received	49.74	111.07
Excess provision for compensated absences written back	-	88.89
Total	1,841.56	1,349.64

Note 29.1 Refer Note 34 for Related party transactions.

### **Note 29 : Construction Expenses**

(₹in Lakhs)

PARTICULARS	FOR THE YEAR ENDED MARCH 31, 2020	FOR THE YEAR ENDED MARCH 31, 2019
Consumption of Construction Material	60,119.99	32,745.18
Inventory at the beginning of the year	8,188.61	6,628.44
Add: Purchases during the year	63,557.64	34,305.34
Less: Inventory at the end of the year	11,626.26	8,188.61
Material Consumed during the year	60,119.99	32,745.18
Other Construction Expenses		
Works and Labour Contracts	77,567.58	44,000.69
Rate & Taxes	1,854.61	1,141.22
Power and Fuel	8,630.97	8,514.50
Technical Consultancy Charges	501.52	215.47
Consumption Spares, Tools & Consumables	4,960.50	1,911.32
Testing Charges	43.25	76.62
Running & Maintenance of Plant and Machinery	445.25	1,224.94
Machinery Hiring Charges	1,442.04	516.52
Other Construction Expenses	189.08	457.71
Total	15,5754.79	90,804.17

Note 29.1 Refer Note 34 for Related party transactions.

### **Note 30 : Employee Benefits Expenses**

(₹in Lakhs)

PARTICULARS	FOR THE YEAR ENDED MARCH 31, 2020	FOR THE YEAR ENDED MARCH 31, 2019
Salaries, Wages and Incentives	9,033.19	8,440.24
Directors' Remuneration	902.40	902.40
Contributions to Provident and other fund	166.17	117.29
Gratuity expense	168.87	142.56
Compensated Absences	35.07	-
Staff Welfare Expenses	986.06	776.70
Total	11,291.76	10,379.19

Note 30.1 Refer Note 34 for Related party transactions.

### **Note 31: Finance Costs**

(₹in Lakhs)

PARTICULARS	FOR THE YEAR ENDED MARCH 31, 2020	FOR THE YEAR ENDED MARCH 31, 2019
Interest on Working Capital Facilities	2,383.29	2,278.93
Interest on long term borrowings	2,213.53	1,275.97
Interest on Loans from Related Parties	192.05	83.08
Other Interest	2,507.62	398.46
Other Borrowing Costs	1,954.13	1,555.17
Amortisation cost on leased assets (Refer Note 5(b))	85.57	-
Fair valuation of Security and Other Deposits	192.06	421.74
Total	9,528.25	6,013.35

Note 31.1 Refer Note 34 for Related party transactions.

### **Note 32: Other Expenses**

(₹in Lakhs)

PARTICULARS	FOR THE YEAR ENDED MARCH 31, 2020	FOR THE YEAR ENDED MARCH 31, 2019
Advertisement Expenses	64.37	5.32
Donation Expenses	41.27	7.90
Corporate Social Responsibility Expenses	124.01	87.95
Electricity Expenses	557.18	395.39
Expected Credit Loss	194.67	211.58
Security Service Charges	533.13	406.56
Net loss on account of foreign exchange fluctuation	-	11.07
Loss arising on Investment measured at FVTPL	4.13	3.52
Payment to Auditors (Refer Note 42)	41.00	53.01
Loss from sale of items of Property, plant and equipments (net)	6.24	153.03
Rent	253.62	271.53
Rates and Taxes	539.01	1050.23
Insurance	461.63	352.50
Repair & Maintenance expense		
- For Buildings	7.36	46.83
- For Others	29.15	78.08
Communication Expenses	24.57	84.23
Travelling and Conveyance	527.11	611.41
Legal and Professional Charges	647.12	622.98
Stationery & Printing Expenses	6.24	62.00
Sundry debtors written off	86.83	188.11
Sitting Fees to Independent Directors	5.85	6.35
Software Maintenance Expense	134.44	40.01
Tender fees	5.16	19.16
Miscellaneous Expenses	11.14	124.19
Total	4,305.23	4,892.94

Note 32.1 Refer Note 34 for Related party transactions.

### PATEL INFRASTRUCTURE LIMITED

### CIN: U45201GJ2004PLC043955

### **Note 18.1 Long Term Borrowings**

**NOTES TO STANDALONE** 

**FINANCIAL STATEMENT** 

					( ₹ III Lakiis)
SR. NO.	LENDER	NATURE OF FACILITY	SANCTION AMOUNT	AMOUNT OUTSTANDING AS ON 31ST MARCH, 2020	REPAYMENT / MODIFICATION OF TERMS
1	BMW Financial Services Pvt Ltd	Vehicle loan	33.00	7.04	Loan consists of 1 separate loans that will be repaid within period of 7 Months to 7 Months with EMI ranging between Rs. 103258 to Rs. 103258
2	Daimler Financial Services India Pvt Ltd	Vehicle loan	25.30	7.06	Loan consists of 1 separate loans that will be repaid within period of 9 Months to 9 Months with EMI ranging between Rs. 81000 to Rs. 81000
3	HDFC Bank Ltd	Vehicle loan	471.33	336.71	Loan consists of 19 separate loans that will be repaid within period of 6 Months to 37 Months with EMI ranging between Rs. 19265 to Rs. 398414
4	ICICI Bank Ltd	Vehicle loan	77.00	34.27	Loan consists of 1 separate loans that will be repaid within period of 15 Months to 15 Months with EMI ranging between Rs. 243998 to Rs. 243998
5	Kotak Mahindra Bank Ltd.	Vehicle Ioan	69.39	26.39	Loan consists of 5 separate loans that will be repaid within period of 8 Months to 14 Months with EMI ranging between Rs. 38300 to Rs. 44126
6	Axis Bank Ltd	Vehicle loan	47.42	47.42	Loan consists of 3 separate loans that will be repaid within period of 36 Months to 36 Months with EMI ranging between Rs. 50269 to Rs. 50269
7	HDFC Bank Ltd	Machinery Loan	4,990.53	3,785.48	Loan consists of 1 separate loans that will be repaid within period of 9 Months to 9 Months with EMI ranging between Rs. 81000 to Rs. 81000
8	Kotak Mahindra Bank Ltd.	Machinery Loan	3,153.85	1,218.53	Loan consists of 95 separate loans that will be repaid within period of 7 Months to 17 Months with EMI ranging between Rs. 9010 to Rs. 515050
9	SREI Equipment Finance Limited	Machinery Loan	833.38	284.53	Loan consists of 16 separate loans that will be repaid within period of 2 Months to 18 Months with EMI ranging between Rs. 18900 to Rs. 461600
10	TATA Capital Financial Services Ltd	Machinery Loan	982.68	706.49	Loan consists of 55 separate loans that will be repaid within period of 13 Months to 25 Months with EMI ranging between Rs. 47390 to Rs. 61595
11	Tata Motors Finance Ltd	Machinery Loan	415.61	151.87	Loan consists of 21 separate loans that will be repaid within period of 6 Months to 15 Months with EMI ranging between Rs. 29880 to Rs. 68298
12	Yes Bank	Machinery Loan	2,942.87	1,045.46	Loan consists of 51 separate loans that will be repaid within period of 11 Months to 17 Months with EMI ranging between Rs. 20874 to Rs. 1690460
13	Axis Bank Ltd	Machinery Loan	2,925.67	1,365.39	Loan consists of 55 separate loans that will be repaid within period of 13 Months to 25 Months with EMI ranging between Rs. 47390 to Rs. 61595
14	Daimler Financial Services India Pvt Ltd	Machinery Loan	219.67	42.49	Loan consists of 55 separate loans that will be repaid within period of 13 Months to 25 Months with EMI ranging between Rs. 47390 to Rs. 61595
15	DCB Bank	Machinery Loan	238.61	170.92	Loan consists of 4 separate loans that will be repaid within period of 32 Months to 35 Months with EMI ranging between Rs. 40493 to Rs. 254191
16	HDB Financial Services Ltd	Machinery Loan	1,026.31	272.32	Loan consists of 59 separate loans that will be repaid within period of 3 Months to 18 Months with EMI ranging between Rs. 31228 to Rs. 416168
17	Indusind Bank Limited	Machinery Loan	29.79	24.01	Loan consists of 3 separate loans that will be repaid within period of 27 Months to 27 Months with EMI ranging between Rs. 33300 to Rs. 33537

### **NOTES TO STANDALONE** PATEL INFRASTRUCTURE LIMITED CIN: U45201GJ2004PLC043955

### **FINANCIAL STATEMENT**

### **Note 18.1 Long Term Borrowings**

(₹in Lakhs)

SR. NO.	LENDER	NATURE OF FACILITY	SANCTION AMOUNT	AMOUNT OUTSTANDING AS ON 31ST MARCH, 2020	REPAYMENT / MODIFICATION OF TERMS
18	The Co-Op Bank of Rajkot Ltd	Rupee Term Loan	4,400.00	310.91	36 Months from the date of first disbursement (7 quarterly Installments starting from 3rd July, 2020)

All the above secured loans are secured by exclusive charge on respective vehicle and/or Construction Equipment. Also the Personal Guarantee of promoter directors, namely, Pravin V. Patel and Arvind V. Patel given.

These Long Term Borrowings carries an interest rate of 5.91% to 11.00% p.a.

Due to pandemic Covid-19, the company has considered outstanding balance of Long term Borrowings as per the repayment schedules.

### **Note 18.2 Long Term Borrowings**

(₹in Lakhs)

CD.			AS AT MARCH 31, 2020					
SR. NO.	PARTICULARS	TOTAL	NON-CURRENT	CURRENT				
a)	Senior, Secured, Unlisted 14% Redeemable Non Convertible Debenture - Series IA	5,181.16	5,181.16	-				
b)	Senior, Secured, Unlisted 14.5% Redeemable Non Convertible Debenture-Series IB	5,171.46	5,171.46	-				
c)	Senior, Secured, Unlisted 8% Optionally	2,917.56	2,917.56	-				

### Security:

- (i) a first ranking pledge over the shares of the Issuer (Patel Infrastructure Limited (PIL)) (together with all rights and privileges exercisable in connection with such shares) representing 26% of the equity share capital of the Issuer in terms of PIL pledge agreement.
- (ii) a first ranking pledge over the shares of Patel Highway Management Private Limited representing 100% of the equity share capital of PHMPL in terms of the PMHPL Pledge Agreement;
- (iii) a first ranking pledge over the shares of Patel Cholopuram-Thanjavur Highway Private Limited (SPV 1) representing 49% of equity share capital of SPV 1 in terms of the SPV 1 Pledge Agreement
- (iv) a first ranking pledge over the shares of Patel Sethiyahopu-Cholopuram Highway Private Limited (SPV 2) representing 49% of equity share capital of SPV 2 in terms of the SPV 2 Pledge Agreement
- (v) a first ranking charge on the Immovable Open Industrial land admeasuring about 47644-00 Sq. Mtr & Common Plot & Parking area land admeasuring 5780.31 Sq. Mts., having non-agriculture & residential building construction permission consisting of New Revenue Survey (Block No. 271, 295, 302, 362, 299, 268, 309, 270, 308, 300, 298, 269, 274, 266, 267, 304, 272 & 273 Old Revenue Survey/Block No. 823, 829, 798, 802, 825, 812, 820, 811, 821, 819, 822, 817, 818, 800 & 824) within the village limits of Kunjad, Taluka-Daskroi & District Ahmedabad
- (vi) a first ranking exclusive charge by way of hypothecation over the Surplus Cashflows, DSRA and the Patel Infrastructure Limited Escrow Account (to the extent of such cash flows getting deposited in the Patel Infrastructure Limited Escrow Account)
- (vii) a first ranking exclusive charge on the PHMPL Escrow Account and any sub-accounts (or any account in substitution thereof) that may be opened by PHMPL in accordance with this Deed and the Escrow Account Agreement;
- (viii) a second ranking charge by way of hypothecation over the EPC Receivables and Patel Infrastructure Limited Escrow Account (to the extent of such cash flows getting deposited in the Patel Infrastructure Limited Escrow Account)

- (ix) any other security that may be acceptable to the Common Security Trustee (acting on the instructions of the Debenture Trustee and OCD Trustee) in accordance with the terms of the Debenture Documents.
- (x) guarantee of the Promoters in favour of the Debenture Trustee and OCD trustee in terms of the Personal Guarantee;
- (xi) guarantee of the Corporate Guarantor in favour of the Debenture Trustee and OCD trustee in terms of the Corporate Guarantee;
- (xii) demand promissory note and letter of continuity, to be issued by the Issuer.
- (xiii) PDCs of the issuer

### **Repayment Terms:**

### A Redemption of Series IA and Series IB

The Series IA Debentures (if outstanding) shall be mandatorily redeemed in full by the Issuer in 4 (four) equal quarterly instalments (each "Series IA Redemption Instalment") as set out in table under Schedule IV commencing at the end of the relevant Principal Moratorium which shall be payable on the respective Interest Payment Date. Provided, if the Issuer exercises the option to reduce the Principal Moratorium to 12 (twelve) months from 18 (eighteen) months, the Series IA Debentures shall be redeemed in 6 (six) quarterly instalments, which shall be payable on the respective Interest Payment Date ("Series IA Redemption Dates"). The Series IB Debentures (if outstanding) shall be mandatorily redeemed in full by the Issuer in 4 (four) equal quarterly instalments ("Series IB Redemption Instalment") commencing at the end of the Principal Moratorium applicable to the Series IB Debentures as set out in table under Schedule IV, which shall be payable on the respective Interest Payment Date ("Series IB Redemption Dates"). The Series IA Redemption Instalment and Series IB Redemption Instalment shall collectively be referred to as a "Redemption Instalments" and Series IA Redemption Date and Series IB Redemption Date shall collectively be referred to as a "Redemption Dates".

It is hereby further clarified that a Mandatory Redemption, Voluntary Redemption, and payment of any amounts therein resulting out of partial redemption of the Debentures, would render a reduction in the forthcoming Redemption Instalments and the Redemption Schedule as provided in Schedule IV of Section A shall be revised accordingly by the Debenture Trustee and the Issuer shall be informed of such revision in the Redemption Schedule. Such revised redemption schedule shall replace the existing Redemption Schedule.

Each payment of a Redemption Instalment shall result in the proportional reduction in the face value of the Debentures or extinguishment of the relevant Debentures at the discretion of the Debenture Trustee acting on Approved Instructions.

### A.1 Redemption Schedule of Series IA and Series IB:

### a) SERIES IA DEBENTURES

### a.1 OPTION A-PRINCIPAL MORATORIUM OF 18 MONTHS

SERIAL NO	SERIES IA REDEMPTION DATE(S)	REDEMPTION AMOUNT (% OF DEBENTURE AMOUNT)
1	Q7	25.00
2	Q8	25.00
3	Q9	25.00
4	Q10	25.00

### a.2 OPTION B- PRINCIPAL MORATORIUM OF 12 MONTHS

SERIAL NO	SERIES IA REDEMPTION DATE(S)	REDEMPTION AMOUNT (% OF DEBENTURE AMOUNT)
1	Q5	16.67
2	Q6	16.67
3	Q7	16.67
4	Q8	16.67
5	Q9	16.67
6	Q10	16.67

### b) SERIES IB DEBENTURES

SERIAL NO	SERIES IA REDEMPTION DATE(S)	REDEMPTION AMOUNT (% OF DEBENTURE AMOUNT)
1	Q11	25.00
2	Q12	25.00
3	Q13	25.00
4	Q14	25.00

### **B** Redemption of OCD

The OCDs (if outstanding) shall be mandatorily redeemed in full by the Issuer in 2 (two) equal quarterly instalments (each "Redemption Instalment") as set out in table under Schedule IV commencing at the end of the Principal Moratorium which shall be payable on the respective Interest Payment Date.

It is hereby further clarified that a Mandatory Redemption, Voluntary Redemption, and payment of any amounts therein resulting out of partial redemption of the OCDs, would render a reduction in the forthcoming Redemption Instalments and the Redemption Schedule as provided in Schedule IV of Section A shall be revised accordingly by the OCD Trustee and the Issuer shall be informed of such revision in the Redemption Schedule. Such revised redemption schedule shall replace the existing Redemption Schedule.

Each payment of a Redemption Instalment shall result in the proportional reduction in the face value of the OCDs or extinguishment of the relevant OCDs at the discretion of the OCD Trustee acting on Approved Instructions.

### **B.1 Redemption Schedule of OCD**

SERIAL NO	SERIES IA REDEMPTION DATE(S)	REDEMPTION AMOUNT (% OF DEBENTURE AMOUNT)
1	Q15	50.00
2	Q16	50.00

C Detailed terms and conditions are mentioned in executed Agreements and Deeds.

# **NOTES TO STANDALONE FINANCIAL STATEMENT**

# Note 22.1 Short Term Borrowings

(₹ in Lakhs)

PATEL INFRASTRUCTURE LIMITED CIN: U45201GJ2004PLC043955

( III Edition	NATURE OF SECURITY	Primary Security: Secured by Hypothecation of receivables, stock of materials and other current assets on basis with other member banks in the consortium.  Collateral security: First paripassu charge by equitable mortgage on the immovable properties described below:	1) Open Residential land admeasuring 999.77 sqmt situated at Plot no A-41, Parth township, R.S No 966/1/P, 967, 972/P & 973, Bakrol, Anand held in the name of Shri Arvindbhai Vithalbhai Patel (HUF)	2) Residential flats-commercial building admeasuring 316.20 sqmt city survey No: 160/P Revenue S. No. 454, Plot No:5, T.P. Scheme No. 1, O P No: 2, Final Plot No 19, flat No 182 on first floor (Area 158.10 sqmt), flat No. 384 at second floor (Area 158.10 sqmt situated at City ward No. 15 Dreamland Apartment, Kalavad, Road, Near Hotel K.K.at Rajkot held in the name of Patel Infrastructure Limited.	Sub Plot No. 2 Palki land towards south side Behind J K Anand Hall, Anand held in the name of Patel Infrastructure private Limited.	4) Non agriculture Land admeasuring 30316 sqmt situated at R.s. No. 713/1/8, 716, Samarkha District, Anand having area of 30316 sqmt and various construction thereon held in the name of Arvindbhai Vithalbhai Patel.	5) Plot at ahmedabad admeasuring 1198.70 sqmt having TP No 50, plot no. 32 Bodakdev Village, Memnagar, Ahmedabad held in the name of Patel Infrastructure Private Limited.  6) Non particular and admoss uring 2.4451.00 sqmt is 0.16526. sqmt in DS No. 074/62/Dalls 1 and 17045. sqmt in DS	o) Non agriculture land admeasuming 5449 LOO sqint Le 10550 sqint in KS NO. 374/65/Falk Faild 17913 sqint in KS NO. 974/64/Palki 1 in the sim village Timba, Tal Godhra, Jilla Panchmahal held in the name of Patel Infrastructure Private Limited.	7) Plot No. 82 FP No, 236 TPS No. 3 Flat No. 1 Ground floor, Anubhuti apartment, Swastik Co Op Housingt Society Ltd B/H sent Xavior Ladies Hostel Nr. City Center At Navarangpura Ahmedabad admeasuring 255.00 sqmt held in the name of Patel Infrastructure private Limited.	8) Commercial Building admeasuring 319 sqmt Known as "Patcon House" situated at Rs. no 517 Pali, Residential Plot 22,23,24,8.25 Shanti Kunj Residency, Near Ashtha Hospital, Bhabhar Road, Radhanpur District, Patan, Gujarat held in the name of Patel Infrastructure Limited.	9) Industrial Land and building admeasuring 28518.00 sq. mtrs situated at	RS.NO.851/4,888/P/1,822,853/P,851/6/P,851/5, 851/3< National Highway No.8, At-Adas, Taluka & Dist - Anand, Gujarat held in the name of Patel Infrastructure Private Limited.  10) RS No. 4, Plot No.3, Shreenathji Park 1, Behind Ramdhan, 150 ft. ring Road, Rajkot. admeasuring 170.72 sq mts held in the name of Patel Infrastructure Limited.	11) Flat No 201, "Gokul", Mavdi, Rajkot (RS/206, Plot No 18/2) admeasuring 124.70Sq. Mtrs held in the name of Patel Infrastructure private Limited. 12) Plot No 2, 5 to 12, admeasuring 1417.52 Sq. Mtrs at 4/p, Mavdi held in the name of Patel Infrastructure Limited.	Prayin Guarantee of Directors: Prayin Vitalbhai Patel Arvind Vitalbhai Patel Dineshbhai Pagibhai Vaniya Madhubhai Vaniya Pragjibhai Sureshbhai Pragjibhai	Personal Guarantee of Others : Pravinbhai V Patel (HUF) Arvindbhai V Patel (HUF)"	Unsecured	Unsecured
MODEOF	REPAYMENT	Repayable within 12 months subject to annual renewal	Rollover of facility on every 180 days	Repayable within 12 months subject to annual renewal	:	Repayable within 12 months subject to annual renewal	Rollover of facility on every 180 days		Repayable on demand subject to annual renewal			Repayable on demand subject to annual renewal	1 Year Validity of sanction / Rollover of facility on every 180 days	90 Days Validity	Repayable on demand subject to annual renewal	1 Year Validity of sanction / Rollover of facility on every 90 days	1 Year Validity of sanction
AMOUNT OUTSTANDING	AS ON 31.03.2020	1,451.29	2744.02	49.61		520.41	1320.40		2420.13			21.37	1611.75	,	181.84	1008.89	1216.32
SANCTION	LIMIT	4,500.00	ı	800.00		2,200.00	1		"4944 ( Sub limit of Bank	e plus e plus (Individua	() III III I	2,650.00	1	1,500.00	1,000.00	2,500.00	1,216.32
NATURE	OF FACILITY	Fund based Limit	Fund based Limit	Fund based Limit	:	Fund based Limit	Fund based Limit		Packing Credit			Fund based Limit	Fund based Limit	Fund based Limit	Fund based Limit	Fund based Limit	Fund based Limit
PARTICULARS	OF LENDERS	Oriental Bank of Commerce	Oriental Bank of Commerce	Bank of Baroda	-	Punjab National Bank	Punjab National Bank		Standard Chartered Bank (Packing	Cledit		State Bank of India	State Bank of India	RBL Bank	State Bank of India	HDFC Bank Ltd	The Co-Op Bank of Rajkot Ltd
SR.	0	<b>—</b>	7	т		4	Ŋ		Ø			7	∞	თ	10		12

PATEL INFRASTRUCTURE LIMITED CIN: U45201GJ2004PLC043955

(₹in Lakhs)

URITY		
NATURE OF SECURITY	Unsecured	Unsecured
		demand renewal
	393.16 1 Year Validity of sanction / Rollover of facility on every 180 days	Repayable on demand subject to annual renewal
SANCTION AMOUNT OUTSTANDING LIMIT AS ON 31.03.2020	393.16	78.19
N AMOUN	ı	ı
SANCTIO		
NATURE S OF FACILITY L	Bill Discounting M1 Exchange	Working Capital
PARTICULARS OF LENDERS	Mynd Solutions	Loans and Advances from related party
SR.	13	4

These Facilities (secured and unsecured) carries an interest rate of 10% to 11.50% p.a. Detailed terms and conditions are mentioned in sanction letters.

**NOTES TO STANDALONE FINANCIAL STATEMENT** 

**Note 22.1 Short Term Borrowings** 

### NOTES TO STANDALONE FINANCIAL STATEMENT

### Note 33: Disclosure in terms of Ind AS 115

- Revenue from Contracts with Customers

a) Reconciliation of the amount for revenue recognised in the Standalone Statement of Profit and Loss with the contracted price: (₹ in Lakhs)

		( VIII Editilo)
PARTICULARS	FOR THE YEAR ENDED MARCH 31, 2020	FOR THE YEAR ENDED MARCH 31, 2019
Revenue as per contracted price	17,6331.64	11,4085.82
Adjustments		
Price Escalation	9,731.78	3,032.51
Change of Scope	2,367.61	5,494.97
Revenue from contract with customers	18,8431.03	12,2613.30

### (b) Contract Balances:

(₹in Lakhs)

PARTICULARS	FOR THE YEAR ENDED MARCH 31, 2020	FOR THE YEAR ENDED MARCH 31, 2019
Receivables:		
- Current (Gross)	38,932.23	28,636.13
Contract Assets (Unbilled revenue- Current):		
Balance at the beginning of the year	13,295.10	15176.99
Revenue recognised during the year	188,431.03	122,613.30
Less: Invoice raised during the year	196,435.29	124,495.19
Balance at the end of the year	5,290.84	13,295.10
Contract Liabilities:		
Advance from Customer		
- Non Current	11,987.97	7,844.07
- Current	12,170.44	4,663.43

(c) Revenue recognised during the year from the performance obligation satisfied upto previous year (arising out of contract modification) amounts to Rs. 188,431.03 Lakhs.

### (d) Reconciliation of contracted price with revenue during the year:

PARTICULARS	FOR THE YEAR ENDED MARCH 31, 2020	FOR THE YEAR ENDED MARCH 31, 2019
Opening contracted price of orders	958,140.51	817,012.03
Add:		
Fresh orders/change orders/ Price Escalation received (net)	15,703.78	141,128.48
Less:		
Orders completed during the year	-	-
Closing contracted price of orders		
Total revenue recognised during the year	973,844.29	958,140.51
Revenue recognised upto previous year (from orders pending	188,431.03	122,613.30
completion at the end of the year)	237,255.48	114,642.18
Balance revenue to be recognised in future	548,157.78	720,885.03

### PATEL INFRASTRUCTURE LIMITED

CIN: U45201GJ2004PLC043955

### NOTES TO STANDALONE FINANCIAL STATEMENT

### **Note 34: Related Party Transactions**

Related parties Transactions with related parties for the year ended March 31, 2020 and March 31, 2019 and Outstanding Balances as at March 31, 2020 and March 31, 2019:

	FOR THE YEAR ENDED					
PARTICULARS	31/3/20	31/3/19				
Subsidiary Companies	Patel Highway Management Private Limited	Patel Highway Management Private Limited				
	Patel Bridge Nirman Private Limited	Patel Bridge Nirman Private Limited				
	Patel Hospitality Private Limited	Patel Hospitality Private Limited				
	Patel Cholopuram Thanjavur Highway Private Limited	Patel Cholopuram Thanjavur Highway Private Limited				
	Patel Darah-Jhalawar Highway Private Limited	Patel Darah-Jhalawar Highway Private Limited				
	Patel Sethiyahopu -Cholopuram Highway Private Limited	Patel Sethiyahopu -Cholopuram Highway Private Limited				
	Patel Vadodara-Kim Expressway Private Limited	Patel Vadodara-Kim Expressway Private Limited				
Key Management Personnel (KMP)	Pravinbhai Patel (Chairman & Director)	Pravinbhai Patel (Chairman & Director)				
	Arvindbhai Patel (Managing Director)	Arvindbhai Patel (Managing Director)				
	Dineshbhai Vaviya (Director)	Dineshbhai Vaviya (Director)				
	Madhubhai Vaviya (Director)	Madhubhai Vaviya (Director)				
	Sureshbhai Vaviya (Director)	Sureshbhai Vaviya (Director)				
	Sandeep Sahni (Chief Financial Officer)	Sandeep Sahni (Chief Financial Officer)				
	Aswini Kumar Sahu (Company Secretary)	Aswini Kumar Sahu (Company Secretary)				
Relatives of KMP	Kaminiben Arvindbhai Patel - Wife of Arvindbhai Patel	Kaminiben Arvindbhai Patel - Wife of Arvindbhai Patel				
	Smitaben Pravinbhai Patel - Wife of Pravinbhai Patel	Smitaben Pravinbhai Patel - Wife of Pravinbhai Patel				
	Pravinbhai V Patel (HUF)	Pravinbhai V Patel (HUF)				
	Arvindbhai V Patel (HUF)	Arvindbhai V Patel (HUF)				
	Rekhaben Sureshbhai Vaviya - Wife of Sureshbhai Vaviya	Rekhaben Sureshbhai Vaviya - Wife of Sureshbhai Vaviya				
	Sureshbhai P Vaviya (HUF)	Sureshbhai P Vaviya (HUF)				
	Jay Pravinbhai Patel - Son of Pravinbhai Patel	Jay Pravinbhai Patel - Son of Pravinbhai Patel				
Relatives of KMP	Radhika Nimitkumar Sanghani - Daughter of Pravinbhai Patel	Radhika Nimitkumar Sanghani - Daughter of Pravinbhai Patel				
	Manjulaben G Badhani - Sister of Pravinbhai Patel and Arvindbhai Patel	Manjulaben G Badhani - Sister of Pravinbhai Patel and Arvindbhai Patel				
	Bhavnaben D Patel - Sister of Pravinbhai Patel and Arvindbhai Patel	Bhavnaben D Patel - Sister of Pravinbhai Patel and Arvindbhai Patel				
	Krunal Arvindbhai Patel - Son of Arvindbhai Patel	Krunal Arvindbhai Patel - Son of Arvindbhai Patel				
	Parth Arvindbhai Patel - Son of Arvindbhai Patel	Parth Arvindbhai Patel - Son of Arvindbhai Patel				
	Krishna Dineshbhai Vaviya - Son of Dineshbhai Vaviya	Krishna Dineshbhai Vaviya - Son of Dineshbhai Vaviya				
	Nikita Bhargav Bhavsar - Daughter of Dineshbhai Vaviya	Nikita Bhargav Bhavsar - Daughter of Dineshbhai Vaviya				

	FOR THE YEA	AR ENDED
PARTICULARS	31/3/20	31/3/19
elatives of KMP	Janvi Dineshbhai Vaviya - Daughter of Dineshbhai Vaviya	Janvi Dineshbhai Vaviya - Daughter of Dineshbhai Vaviya
	Kasturben Zalavadiya - Sister of Dineshbhai Vaviya, Madhubhai Vaviya and Sureshbhai Vaviya	Kasturben Zalavadiya - Sister of Dineshbhai Vaviya, Madhubhai Vaviya and Sureshbhai Vaviya
	Vilasben Dhorajiya - Sister of Dineshbhai Vaviya, Madhubhai Vaviya and Sureshbhai Vaviya	Vilasben Dhorajiya - Sister of Dineshbhai Vaviya, Madhubhai Vaviya and Sureshbhai Vaviya
	Ramaben Dineshbhai Vaviya - Wife of Dineshbhai Vaviya	Ramaben Dineshbhai Vaviya - Wife of Dineshbhai Vaviya
	Rutv Madhubhai Vaviya - Son of Madhubhai Vaviya	Rutv Madhubhai Vaviya - Son of Madhubhai Vaviya
	Shweta Madhubhai Vaviya - Daughter of Madhubhai Vaviya	Shweta Madhubhai Vaviya - Daughter of Madhubhai Vaviya
	Aditi Madhubhai Vaviya - Daughter of Madhubhai Vaviya	Aditi Madhubhai Vaviya - Daughter of Madhubhai Vaviya
	Abhishek Sureshbhai Vaviya - Son of Sureshbhai Vaviya	Abhishek Sureshbhai Vaviya - Son of Sureshbhai Vaviya
	Sangitaben Madhubhai Vaviya - Wife of Madhubhai Vaviya	Sangitaben Madhubhai Vaviya - Wife of Madhubhai Vaviya

	FOR THE YEAR I	FOR THE YEAR ENDED		
PARTICULARS	31/3/20	31/3/19		
Enterprises over which KMP and/or	V G Patel Foundation	V G Patel Foundation		
Relatives of KMP are able to exercise significant Influence	Patel Structural Private Limited	Patel Structural Private Limited		
	The Trilium	The Trilium		
	Swan Medicot LLP	Swan Medicot LLP		
	Patel Taxcot Pvt Ltd	Patel Taxcot Pvt Ltd		

	FOR THE Y	EAR ENDED	
PARTICULARS	31/3/20	31/3/19	
Investments in Equity Instrument			
Made during the year			
Patel Cholopuram Thanjavur Highway Private Limited	-	2,000.00	
Patel Darah-Jhalawar Highway Private Limited	1,599.00	1,800.00	
Patel Sethiyahopu-Cholopuram Highway Private Limited	2,382.00	-	
Patel Vadodara-Kim Expressway Private Limited	5,199.00	1.00	
Closing Balance of Investment			
Patel Highway Management Private Limited	755.20	755.20	
Patel Bridge Nirman Private Limited	490.99	490.99	
Patel Hospitality Private Limited	1.00	1.00	
Patel Shethiyahopu Cholopuram Highway Private Limited	2,383.00	1.00	
Patel Cholopuram Thanjavur Highway Private Limited	2,001.00	2,001.00	
Patel Darah-Jhalawar Highway Private Limited	3,400.00	1801.00	
Patel Vadodara Kim Expressway Private Limited	5,200.00	1.00	
Investments (Other Equity)			
Investments (Other Equity) Made during the year			
Patel Cholopuram Thanjavur Highway Private Limited	4,096.00	5,867.21	
Patel Shethiyahopu Cholopuram Highway Private Limited	542.00	2,849.65	
Patel Darah-Jhalawar Highway Private Limited	3,372.50	6,607.59	
Patel Vadodara Kim Expressway Private Limited	10,800.96	1,580.20	
Tatel Vadodala Killi Expressiva y Frivate Ellinted	10,000.00	.,000.20	
Taken back during the year			
Patel Cholopuram Thanjavur Highway Private Limited	701.03	43.30	
Patel Shethiyahopu Cholopuram Highway Private Limited	392.68	1.58	
Patel Darah-Jhalawar Highway Private Limited	655.62	66.33	
Patel Vadodara Kim Expressway Private Limited	52.70	500.00	
<u> </u>			
Converted into equity during the year			
Patel Cholopuram Thanjavur Highway Private Limited	-	2,000.00	
Patel Darah-Jhalawar Highway Private Limited	1,599.00	1,800.00	
Patel Shethiyahopu Cholopuram Highway Private Limited	2,382.00	-	
Patel Vadodara Kim Expressway Private Limited	5,199.00	-	
Closing balance of Investments (Other Equity)	7.004.55	4.500.50	
Patel Cholapuram Thanjavur Highway Private Limited	7,984.55	4,589.58	
Patel Darah Jhalawar Highway Private Limited	6,088.86	4,970.98	
Patel Vededor Vin European Private Limited	1,125.05	3,357.73	
Patel Vadodara Kim Expressway Private Limited	6,629.46	1,080.20	
Corporate Guarantees Civen during the year			
Corporate Guarantees Given during the year	_	_	
Patel Highway Management Private Limited Patel Vadodara-Kim Expressway Private Limited	82,100.00	_	
Patel Darah-Jhalawar Highway Private Limited	53,934.00	<u> </u>	
Tater Baran Shalawar Filighway Filivate Elimited	55,954.00		
Corporate Guarantees released during the year			
Patel Highway Management Private Limited	-	3,891.00	
Patel Vadodara-Kim Expressway Private Limited	-	-	
Patel Darah-Jhalawar Highway Private Limited	-	-	
Outstanding Corporate Guarantees at the end of year			
Patel Highway Management Private Limited	-	-	
Patel Vadodara-Kim Expressway Private Limited	82,100.00	-	

	FOR THE Y	EAR ENDED
PARTICULARS	31/3/20	31/3/19
Trade Receivables		
Patel Highway Management Private Limited	0.04	814.56
Patel Bridge Nirman Private Limited	320.93	43.59
Patel Shethiyahopu Cholopuram Highway Private Limited	3,861.27	1,629.29
Patel Darah-Jhalawar Highway Private Limited	3,987.98	3,862.69
Patel Cholopuram Thanjavur Highway Private Limited	2,222.61	5,446.56
Patel Vadodara Kim Expressway Private Limited	21,384.18	7,973.05
Loan Given During the year		
Patel Highway Management Private Limited	200.02	58.72
Patel Bridge Nirman Private Limited	-	6.02
Patel Hospitality Private Limited	11.68	0.01
Loan Received Back During the Year		
Patel Highway Management Private Limited	200.33	71.58
Patel Bridge Nirman Private Limited	-	6.02
Patel Hospitality Private Limited	-	-

	EOD THE V	EAR ENDED	
PARTICLE ARC			
PARTICULARS	31/3/20	31/3/19	
Closing Balance of Loan Given			
Patel Highway Management Private Limited	-	0.32	
Patel Bridge Nirman Private Limited	-	-	
Patel Hospitality Private Limited	11.70	0.01	
Security deposit Retained During the year			
Patel Highway Management Private Limited	-	0.64	
Patel Bridge Nirman Private Limited	-	-	
Patel Shethiyahopu Cholopuram Highway Private Limited	714.47	253.54	
Patel Darah-Jhalawar Highway Private Limited	799.91	602.57	
Patel Cholopuram Thanjavur Highway Private Limited	482.94	235.68	
Patel Vadodara Kim Expressway Private Limited	1,314.83	225.65	
Security deposit Released During the year			
Patel Highway Management Private Limited	-	-	
Patel Bridge Nirman Private Limited	-	-	
Closing Balance of Security Deposit	407.00	407.00	
Patel Highway Management Private Limited	187.00	187.00	
Patel Bridge Nirman Private Limited	46.25	46.25	
Patel Shethiyahopu Cholopuram Highway Private Limited	1,029.62	315.15	
Patel Darah-Jhalawar Highway Private Limited	1,462.71	662.80	
Patel Cholopuram Thanjavur Highway Private Limited	780.53	297.59	
Patel Vadodara Kim Expressway Private Limited	1,540.49	225.65	
Sub Contracting Income			
Patel Highway Management Private Limited	1,566.99	3,924.77	
Patel Bridge Nirman Private Limited	461.03	749.23	
Patel Shethiyahopu Cholopuram Highway Private Limited	24,573.45	8,855.74	
Patel Darah-Jhalawar Highway Private Limited	27,100.62	20,003.14	
Patel Cholopuram Thanjavur Highway Private Limited	16,359.77	8,166.67	
Patel Vadodara Kim Expressway Private Limited	43,827.78	7,521.75	
Interest Expenses on Mobilisation Advance			
Patel Darah-Jhalawar Highway Private Limited	244.88	223.61	
Patel Cholopuram Thanjavur Highway Private Limited	421.56	174.55	
Patel Shethiyahopu Cholopuram Highway Private Limited	345.63	-	
ator one triganopa ono oparam riignway riiwate tillillea	5-5.05		

	FOR THE YE	AR ENDED
PARTICULARS	31/3/20	31/3/19
Dividend Received during the year		
Patel Bridge Nirman Private Limited	147.30	-

### Related Party Transactions: Key Management Personnel

(₹in Lakhs)

	FOR THE Y	/EAR ENDED
PARTICULARS	31/3/20	31/3/19
Loans received from Key management personnel		
Pravinbhai Patel	326.56	388.74
Arvindbhai Patel	320.14	441.07
Dineshbhai Vaviya	215.84	1.32
Madhubhai Vaviya	455.75	0.07
Sureshbhai Vaviya	364.94	0.61

(₹in Lakhs)

			(,
	FOR THE	YEAR ENDED	
PARTICULARS	31/3/20	31/3/19	
Loans Repaid during the year			
Pravinbhai Patel	577.54	136.88	
Arvindbhai Patel	723.50	37.64	
Dineshbhai Vaviya	214.54	0.13	
Madhubhai Vaviya	455.68	0.01	
Sureshbhai Vaviya	364.34	0.06	
Closing Balances of Loans			
Pravinbhai Patel	5.56	256.54	
Arvindbhai Patel	0.42	403.78	
Dineshbhai Vaviya	15.74	14.44	
Madhubhai Vaviya	0.82	0.75	
Sureshbhai Vaviya	7.24	6.64	
Remuneration			
Pravinbhai Patel	300.00	300.00	
Arvindbhai Patel	300.00	300.00	
Dineshbhai Vaviya	100.80	100.80	
Madhubhai Vaviya	100.80	100.80	
Sureshbhai Vaviya	100.80	100.80	
Sandeep Sahni	51.00	48.00	
Aswini Kumar Sahu	27.00	24.00	
Bonus			
Sandeep Sahni	0.17	0.20	
Aswini Kumar Sahu	0.17	0.20	

FOR THE YI	EAR ENDED
31/3/20	31/3/19
40.94	38.74
70.14	41.07
15.84	1.32
30.75	0.07
29.94	0.61
en by Company	
15.38	15.38
11.82	11.82
4.38	4.38
4.34	4.34
4.36	4.36
	40.94 70.14 15.84 30.75 29.94 en by Company 15.38 11.82 4.38 4.34

	FOR THE Y	AR ENDED
PARTICULARS	31/3/20	31/3/19
Salary payable		
Pravinbhai Patel	12.50	16.35
Arvindbhai Patel	11.63	11.50
Dineshbhai Vaviya	4.75	5.73
Madhubhai Vaviya	5.05	5.70
Sureshbhai Vaviya	5.36	5.67
Sandeep Sahni	3.19	3.78
Aswini Kumar Sahu	1.77	1.64
Bonus payable		
Sandeep Sahni	0.17	0.20
Aswini Kumar Sahu	0.17	0.20
Defined Benefit Obligation payable:		
Pravinbhai Patel	19.05	18.07
Arvindbhai Patel	18.02	16.69
Dineshbhai Vaviya	16.98	16.39
Madhubhai Vaviya	16.87	16.31
Sureshbhai Vaviya	16.87	16.26
Sandeep Sahni	2.61	1.55
Aswini Kumar Sahu	0.53	0.29

### Related Party Transactions: Relatives of KMP

(₹in Lakhs)

		(₹ III Lakiis)
FOR THE YI	EAR ENDED	
31/3/20	31/3/19	
0.07	0.06	
1.19	1.09	
0.09	0.11	
2.26	-	
0.84	-	
0.01	0.01	
0.12	0.11	
0.35	0.01	
0.23	-	
0.08	-	
0.74	0.68	
12.99	11.92	
0.92	1.18	
24.63	22.60	
9.13	8.37	
	0.07 1.19 0.09 2.26 0.84 0.01 0.12 0.35 0.23 0.08	0.07     0.06       1.19     1.09       0.09     0.11       2.26     -       0.84     -       0.01     0.01       0.12     0.11       0.35     0.01       0.23     -       0.08     -       0.74     0.68       12.99     11.92       0.92     1.18       24.63     22.60

	FOR THE	YEAR ENDED
PARTICULARS	31/3/20	31/3/19
Salary		
Krunal A Patel	60.00	60.00
Parth A Patel	42.00	42.00
Jay P Patel	60.00	60.00
Krishna D. Vaviya	7.99	1.33
Interest		
Pravinbhai V Patel (HUF)	0.07	0.06
Arvindbhai V Patel (HUF)	1.19	1.09
Sureshbhai P Vaviya (HUF)	0.09	0.11
Smt. Kaminiben A Patel	2.26	-
Smt. Rekhaben S Vaviya	0.84	-

### Insurance premium paid towards key man term policy taken by Company

	FOR THE	YEAR ENDED
PARTICULARS	31/3/20	31/3/19
Krunal A Patel	31.36	19.72
Parth A Patel	14.01	14.28
Jay P Patel	27.91	19.23
Krishna D. Vaviya	1.00	1.00
Abhishek S. Vaviya	1.00	1.00
Shweta M. Vaviya	1.00	1.00
Defined Benefit Obligation payable:		
Krunal A Patel	11.68	10.98
Parth A Patel	6.51	4.10
Jay P Patel	8.96	5.79
Krishna D. Vaviya	0.12	-

### Amount payable: Relatives of KMP

(₹in Lakhs)

	FOR THE	FOR THE YEAR ENDED	
PARTICULARS	31/3/20	31/3/19	
Salary			
Krunal A Patel	3.39	3.52	
Parth A Patel	2.59	2.62	
Jay P Patel	-	3.53	
Krishna D. Vaviya	0.56	0.66	

### Related Party Transactions: Enterprises over which KMP and/or Relatives of KMP are able to exercise significant Influence

	FOR THE '	YEAR ENDED
PARTICULARS	31/3/20	31/3/19
Trade Payable		
Patel Structural Private Limited	7.89	217.90
Closing Balance of Security Deposit		
Patel Structural Private Limited	43.69	43.70
Donation		
V G Patel Foundation	84.00	54.00

### NOTES TO STANDALONE FINANCIAL STATEMENT

CIN: U45201GJ2004PLC043955

### Note 35 - Financial Instruments and Fair Value Measurement

### A. CATEGORIES OF FINANCIAL INSTRUMENTS

(₹in Lakhs)

	AMOUNT AS AT MARCH 31, 2020			
PARTICULARS	FAIR VALUE THROUGH PROFIT & LOSS	FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME	AMORTISED COST	TOTAL
Financial Assets				
(i) Investments	2.39	-	36,117.27	36,119.66
(ii) Trade receivables	-	-	37,879.91	37,879.91
(iii) Cash and cash equivalents	-	-	318.90	318.90
(iv) Other financial assets	-	-	27,474.89	27,474.89
(v) Bank balance other than (iii) above	-	-	5,370.86	5,370.86
Total	2.39	-	107,161.83	107,164.22
Financial liabilities				
(i) Trade payables	-	-	35,484.26	35,484.26
(ii) Borrowings	-	-	36,124.85	36,124.85
(iii) Other financial liabilities	-	-	18,441.56	18,441.56
(iv) Leased Liabilities	-	-	172.48	-
Total	_	-	90,223.14	90,050.67

(₹in Lakhs)

	AM	OUNT AS AT MARCH 31, 201	9	
PARTICULARS	FAIR VALUE THROUGH PROFIT & LOSS	FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME	AMORTISED COST	TOTAL
Financial Assets				
(i) Investments	6.52	-	19,107.70	19,114.22
(ii) Trade receivables	-	-	27,778.48	27,778.48
(iii) Cash and cash equivalents	-	-	242.71	242.71
(iv) Other financial assets	-	-	15,451.53	15,451.53
(v) Bank balance other than (iii) above	-	-	5,653.92	5,653.92
Total	6.52	-	68,234.34	68,240.86
Financial liabilities				
(i) Trade payables	-	-	27,149.26	27,149.26
(ii) Borrowings	-	-	41,501.15	41,501.15
(iii) Other financial liabilities	-	-	8,908.39	8,908.39
(iv) Leased Liabilities	-	-	-	-
Total	_	_	77,558.80	77,558.80

### **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).

JOINT OPERATION	AS AT MARCH 31, 2020	AS AT MARCH 31, 2019
Long Term Borrowings (Refer Note 18, 24)	23,107.47	18,311.47
Short Term Borrowings (Refer Note 22)	13,017.38	23,189.68
Less: Cash & Cash Equivalents (Refer Note 12)	318.90	242.71
Net Debt	35,805.95	41,258.44
Total equity	54,132.07	39,679.83
Total Capital	54,132.07	39,679.83
Gearing Ratio	66.15%	103.98%

iii. 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 structur requirements.

### C. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's principal financial liabilities comprise loans and borrowings, 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 trade and other receivables, and 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:

### 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.

The sensitivity analysis have been carried out based on the exposure to interest rates for loans carried at variable rate. (₹ in Lakhs)

PARTICULARS	AS AT MARCH 31, 2020	AS AT MARCH 31, 2019
Variable Rate Borrowings (₹ in Lakhs)	10,242.63	18,746.45
% change in interest rates	0.50%	0.50%
Impact on Profit for the year	51.21	93.73

### 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 significant exposure in foreign currency. The details of the same have been given in Note 40 of Annexure V.

### 1.3 Commodity Risk

The Company is 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 sensitivity analysis have been carried out based on the exposure to interest rates for loans carried at variable rate.

PARTICULARS	WITHIN 1 YEAR	2 TO 5 YEAR	MORE THAN 5 YEAR	CARRYING AMOUNT
As at March 31, 2020				
Borrowings	17,397.43	18,727.42	-	36,124.85
Trade Payables	35,484.26	-	-	35,484.26
Other Financial Liabilities	14,753.48	3,688.08	-	18,441.56
Leased Liabilities	118.92	53.56	-	172.48
As at March 31, 2019				
Borrowings	30,080.75	11,420.40	-	41,501.15
Trade Payables	27,149.26	-	-	27,149.26
Other Financial Liabilities	6,125.98	2,782.41	-	8,908.39

### NOTES TO STANDALONE FINANCIAL STATEMENT

### **Note 36: Employee Benefits**

### A. Defined Contribution Plan

The Company's contribution to Provident Fund aggregating Rs. 166.17 Lakhs has been recognised in the Statement of Profit or Loss under the head Employee Benefits Expense.

### **B.** Defined Benefit Plan:

### Gratuity

The Company operates a defined benefit plan (the Gratuity plan) covering eligible employees, which provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment.

The status of gratuity plan as required under Ind AS-19:

PARTICULARS	AS AT MARCH 31, 2020	AS AT MARCH 31, 2019
i. Reconciliation of Opening and Closing Balances of defined		
benefit obligation		
Present Value of Defined Benefit Obligations at the beginning of the Year	600.19	359.8
Current Service Cost	131.59	115.9
Past service Cost	-	
Interest Cost	37.28	26.6
Benefit paid	(4.79)	
Change in financial assumptions	32.89	8.4
Change in demographic assumption	0.00	
Experience variance (i.e. Actual experience vs assumptions)	(59.77)	89.3
Present Value of Defined Benefit Obligations at the end of the Year	737.40	600.1

PARTICULARS	AS AT MARCH 31, 2020	AS AT MARCH 31, 2019
ii. Reconciliation of the Present value of defined benefit obligation		
and Fair value of plan assets		
Present Value of Defined Benefit Obligations at the end of the Year	737.40	600.19
Fair Value of Plan assets at the end of the Year	(29.82)	-
Net Asset / (Liability) recognized in balance sheet as at the end of the Year	707.58	600.19

PARTICULARS	AS AT MARCH 31, 2020	AS AT MARCH 31, 2019
iii. Gratuity Cost for the Year		
Current service cost	131.59	115.94
Interest Cost	37.28	26.63
Past service Cost	-	-
Expenses recognised in the income statement	168.87	142.56

PARTICULARS	AS AT MARCH 31, 2020	AS AT MARCH 31, 2019
iv. Other Comprehensive Income		
Actuarial (Gain) / loss		
Change in financial assumptions	32.89	8.42
Change in demographic assumption	0.00	-
Experience variance (i.e. Actual experience vs assumptions)	(59.77)	89.39
Return on plan assets, excluding amount recognised in net interest expense	(1.09)	-
Components of defined benefit costs recognised in other comprehensive income	(27.97)	97.81

PARTICULARS	AS AT MARCH 31, 2020	AS AT MARCH 31, 2019
v. Actuarial Assumptions		
Discount Rate (per annum)	5.75%	7.00%
Annual Increase in Salary Cost	10.00%	10.00%
Rate of Employee Turnover	25.00%	25.00%

Mortality Rates as given under Indian Assured Lives Mortality (2012-14.) Ultimate Retirement Age 60 Years.

### vi. Sensitivity Analysis

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and attrition rate. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting year, while holding all other assumptions constant. The results of sensitivity analysis is given below:

(₹in Lakhs)

PARTICULARS	AS AT MAI	RCH 31, 2020	AS AT MARC	CH 31, 2019
Defined Benefit Obligation(Base)		737.40		600.19
				(₹in Lakhs
	AS AT MAR	CH 31, 2020	AS AT MARC	CH 31, 2019
PARTICULARS	DECREASE	INCREASE	DECREASE	INCREASE
Discount Rate (- / + 1%)	28.74	26.56	22.22	20.60
(% change compared to base due to sensitivity)	3.90%	3.60%	3.70%	3.43%
Salary Growth Rate (- / + 1%)	23.62	24.36	18.23	19.25
(% change compared to base due to sensitivity)	3.20%	3.30%	3.04%	3.21%
Withdrawal Rate (-/+10%)	23.56	20.84	N.A.	N.A.
(% change compared to base due to sensitivity)	3.20%	2.83%	N.A.	N.A.

### vii. Effect of Plan on Entity's Future Cash Flows

### a) Maturity Profile of Defined Benefit Obligation

Weighted Average duration of the defined benefit obligation - 3.48 years

(₹in Lakhs)

PARTICULARS	AS AT MARCH 31, 2020	AS AT MARCH 31, 2019
Duration of the defined benefit obligation		
1st Following Year	165.98	130.70
2nd Following year	107.10	98.60
3rd Following Year	90.72	81.48
4th Following Year	85.59	64.62
5th Following Year	69.14	57.83
Above 5	218.87	166.96
Total	737.40	600.19

The discount rate is based on the prevailing market yields of Government of India's securities as at the balance sheet date for the estimated term of the obligations.

The defined plans expose the Company to actuarial risks such as Interest rate risk, Salary risk, Investment risk.

### Interest rate risk:

A fall in the discount rate which is linked to the G.Sec. Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increase the mark to market value of the assets depending on the duration of asset.

### Salary Risk:

The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

### **Investment Risk:**

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

### b) Other Long Term Employee Benefits

Amount of Rs 35.07 Lakhs (previous year: Rs (88.89) Lakhs) towards compensated absences is recognised as an expense and included in "Employee benefits expense" in the Statement of Profit and Loss.

### **Actuarial Assumptions**

PARTICULARS	AS AT MARCH 31, 2020	AS AT MARCH 31, 2019
Discount Rate (per annum)	5.75%	7.00%
Annual Increase in Salary Cost	10.00%	10.00%
Rate of Employee Turnover	25.00%	25.00%
Mortality Rates as given under Indian Assured Lives Mortality (2012-14)		
Ultimate Retirement Age 60 Years.		

### Note 37: Corporate Social Responsibility (CSR)

Expenditure towards Corporate Social Responsibility as per Companies Act, 2013 read with Rules and Regulations there of. (₹ in Lakhs)

	FOR THE YEAR ENDED	
PARTICULARS	MARCH 31, 2020	MARCH 31, 2019
Gross Amount required to be spent by the Company	187.71	141.83
Amount Spent during the year towards activities specified in CSR Policy	124.01	87.95
Related Party Transactions in relation to Corporate Social Responsibility	84.00	54.00

### **Note 38: Notes on Exceptional Item**

This is with relation to a dispute between M/s. Amar Infrastructure Limited and M/s Patel Infrastructure Limited and promoter Directors with relation to a MOU dated 14.08.2012 for sub-contract of Output and performance based road contract (Asset Management Contract) for improvement, rehabilitation, resurfacing, and routine maintenance works of roads of Sangrur- Mansa-Bhatinda (OPRC work). The said work has been awarded to the Company by PWD (B&R) Punjab. Subsequently the dispute has been reached before Hon'ble CJM Mohali and Hon'ble High Court of Punjab and Haryana through separate applications. On April 02, 2019 the parties mutually agreed to resolve their dispute and a settlement deed has been executed on that date and the same has been submitted before Hon'ble High Court of Punjab and Haryana. Considering the settlement between the parties Hon'ble High Court of Punjab and Haryana quashed all pending applications in this regard and now the matter stands closed. Based on the settlement deed the Company has provided for net amount payable to M/s. Amar Infrastructure Limited amounting to Rs. 450.00 Lakhs being adjusting event occurring after the balance sheet date.

### **Note 39: Basic and Diluted Earnings Per Share**

PARTICULARS	FOR THE YEAR ENDED MARCH 31, 2020	FOR THE YEAR ENDED MARCH 31, 2019
Earnings per equity share		
Profit attributable to equity shareholders (Rs. In Lakhs)	13,851.60	5,070.19
Adjusted profit attributable to ordinary equity holders (Rs. In Lakhs)	14,027.64	5,070.19
Weighted average number of equity shares outstanding during the year*	45,600,000	45,600,000
Number of ordinary shares resulting from conversion of bonds	19,437,719	19,437,719
Number of ordinary shares used to calculate diluted earnings per share	65,037,719	65,037,719
Nominal value of equity per share	10	10
Basic EPS (₹ Per Share)	30.38	11.12
Diluted EPS (₹ Per Share)	21.57	7.80

<sup>\*</sup> Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the year adjusted by the number of equity shares issued during the year multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the year.

The Company has issued 4,18,00,000 bonus shares during the FY 2017-18 thereby increasing the number of equity shares to 4,56,00,000 shares. Accordingly, Basic and Diluted earning per share presented above has been adjusted.

### NOTES TO STANDALONE FINANCIAL STATEMENT

### **Note 40: Foreign Currency Transactions and Exposure**

During the year there are no Foreign currency transactions, Receivable/ Payable at the reporting date. Hence, there is no sensitivity of price risk.

### **Note 41: Contingent liabilities and Commitments**

### a) Contingent liabilities

(₹in Lakhs)

PARTICULARS	AS AT MARCH 31, 2020	AS AT MARCH 31, 2019
a) Claims against the company not acknowledged as debt	130.90	123.75
b) Guarantees		
i) Outstanding Bank Guarantees	27,254.43	42,780.86
c) Other money for which the company is contingently liable	1,752.27	540.98
(Direct and Indirect Taxes)		

Corporate Guarantee has been issued by the Company on behalf of Patel Darah Jhalawar Highway Private Limited and Patel Vadodara-Kim Expressway Pvt Ltd., a subsidiary company, is with respect to limits availed by both the companies.

### b) Commitments

PARTICULARS	AS AT MARCH 31, 2020	AS AT MARCH 31, 2019
a) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of capital advances)	63.67	33.31
b) Other Commitments		
- Investment in Subsidiaries *	28,820.89	49,980.63

<sup>\*</sup> The commitments of Four SPVS' as defined in the concession agreement executed with concession authorities.

### **Note 42 - Payment to Auditors**

(₹in Lakhs)

PARTICULARS	AS AT MARCH 31, 2020	AS AT MARCH 31, 2019
For Audit	25.00	20.00
For Taxation matters	7.50	27.75
Other Services	8.25	4.00
Reimbursement of Expenses	0.25	1.00
Total	41.00	52.75

### **Note 43: Movement in Deferred tax Assets/Liabilities**

### A. Amount Recognised in Profit and Loss

		( V III Edikiis)
PARTICULARS	FOR THE YEAR ENDED MARCH 31, 2020	FOR THE YEAR ENDED MARCH 31, 2019
Current income tax:		
Current income tax charge	3,346.71	2,188.35
(Excess) / Short provision of earlier periods	189.48	(0.42)
Deferred tax:		
Relating to origination and reversal of temporary differences	2,031.55	3,135.33
Total	5,567.74	5,323.26

PARTICULARS	FOR THE YEAR ENDED MARCH 31, 2020	FOR THE YEAR ENDED MARCH 31, 2019
Deferred tax:		
Remeasurements gains and losses on post employment benefits	(9.77)	34.18
Income tax expense reported in the statement of other comprehensive income	(9.77)	34.18

### C. Reconciliation of effective tax rate

PARTICULARS	FOR THE YEAR ENDED MARCH 31, 2020	FOR THE YEAR ENDED MARCH 31, 2019
Accounting profit before tax	19,419.34	10,393.45
Applicable Income tax rate	34.94%	34.94%
Computed expected tax expense	6,785.89	3,631.89
Deferred Tax expenses accounted in books	2,031.55	3,135.33
Effect of expense not allowed for tax purpose	2,551.42	2132.94
Effect of expense allowed for tax purpose	(1,648.67)	(1438.66)
Effect of Deductions Claimed for tax purpose	(498.07)	(3850.14)
(Excess) / Short provision of earlier periods	189.48	(0.42)
Others	(3,843.87)	1712.32
Tax on book profit as per Minimum Alternate Tax	-	-
Income tax expense	5,567.74	5323.26
Income tax expense reported in the statement of profit and loss	5,567.74	5323.26

### CIN: U45201GJ2004PLC043955 PATEL INFRASTRUCTURE LIMITED

(₹ in Lakhs)

## Note 43: Movement in Deferred tax Assets/Liabilities **NOTES TO STANDALONE FINANCIAL STATEMENT**

D. Recognized deferred tax assets and liabilities

5,130.71 **BALANCE AS** 271.74 **AT MARCH** 149.64 OCI DURING 2019-20 RECOGNIZED IN 271.74 PROFIT OR LOSS DURING 2019-20 168.81 (67.12)4,961.90 **BALANCE AS** 216.76 **AT APRIL 1** BALANCE AS AT MARCH 31, 4,961.90 216.76 RECOGNIZED IN OCI DURING 2018-19 (0.56)RECOGNIZED IN PROFIT OR LOSS 2,768.85 148.27 0.56 68.49 **BALANCE AS** 2,193.05 Excess of depreciation and amortization on fixed assets under income tax law over depreciation and amortization provided Fair Valuation of financial instruments Fair Valuation of financial liabilities **Deferred tax Liabilities** Prepaid Expenses **PARTICULARS** carried at FVTPL in accounts (\*)

Less: Deferred Tax Assets								
Provision for Expected Credit Loss	225.76	73.94	ı	299.70	299.70	68.02	1	367.72
Provision for Gratuity	125.73	49.82	(34.18)	209.73	209.73	48.71	(9.77)	248.67
Provision for Compensated absences	94.53	(34.85)	1	59.69	59.69	2.00	1	64.69
Provision for Bonus	63.52	124.51	1	188.03	188.03	(38.23)	ı	149.80
Fair Valuation of financial assets	26.69	147.37	ı	174.06	174.06	(171.94)	ı	2.12
Fair Valuation of non-current Investment carried at FVTPL	ı	0.67	ı	0.67	0.67	44.48	•	45.15
Capital Expenditure allowable in future years under Income Tax Law	108.07	0.10	1	108.18	108.18	0.00	ı	108.18
MAT Credit Entitlement	3,079.52	(580.34)	1	2,499.18	2,499.18	(1,614.16)	1	885.02
Total	(1461.73)	3135.33	34.18	1,639.42	1,639.42	2,031.55	9.77	3,680.74

\* As per IND AS-8 Accounting Policies, Change in Accounting Estimates and Errors, the Financial statement of 2017-18 have been restated amounting to Rs. 1,470.70 Lakhs on account of erroneous WDV considered as per Income tax Act, 1961 for Deferred tax liabilities working. Hence, the profit after tax as well as other comprehensive income have been reduced to the extent of Rs. 1470.70 Lakhs compared to reported figures of Financial Year 2017-18. Similarly, Deferred tax assets (net) and Other Equity have been reduced

### Note 44:

The COVID-19 pandemic is rapidly spreading across the world as well as in India and has caused shutdown accross the country. The Company has resumed operations in a phased manner in line with the directives of the Government of India. The management has made initial assessment of likely adverse impact on business, and believes conditions because of this pandemic, the management, as at date of approval of these financial statements has used corroborative information. As on current date, the developments to identify significant uncertainties in future periods, if any. The management does not see any long term risks in the Company's ability to continue as a that the impact may not be significant over the terms of its contracts. In developing the assumptions relating to the possible future uncertainties in the global economic management has concluded that the impact of Covid-19 is not material based on the evaluations. Due to the nature of the pandemic, the Company will continue to monitor going concern and meeting its liabilities as and when they fall due.

### **Note 45:**

Previous figures have been reclassified and regrouped wherever considered appropriate.

As per our report of even date

### For, Surana Maloo & Co.

Chartered Accountants Firm Registration Number 112171W

### Per, S.D. Patel

Partner

Membership No: 037671

Place : Ahmedabad Date : September 24, 2020

### For and Behalf of the Board of Directors

**Patel Infrastructure Limited** 

CIN: U45201GJ2004PLC043955

### Pravinbhai V. Patel

Chairman & Director DIN: 00008911

### Sandeep Sahni

Chief Financial Officer

Place: Vadodara

Date: September 24, 2020

**Arvind V. Patel** 

**Managing Director** DIN: 00009089

### **Aswini Kumar Sahu**

Company Secretary ICSI Membership No.: F7476

### INDEPENDENT AUDITOR'S REPORT

To, The Members,

### THE MEMBERS OF PATEL INFRASTRUCTURE LIMITED

### Report on the Audit of the Consolidated Ind AS Financial Statements

### **Opinion**

We have audited the accompanying consolidated Ind AS financial statements of Patel Infrastructure Limited (hereinafter referred to as the "the Holding Company") (CIN- U45201GJ2004PLC043955) and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at 31st March, 2020, the Consolidated Statement of Profit and Loss, including other comprehensive income, the Consolidated Cash Flow and the consolidated Statement of Changes in Equity for the period then ended, and notes to the consolidated Ind AS financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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 accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March, 2020, Profit and its cash flows consolidated statement of changes in equity for the period ended on that date.

### **BASIS FOR OPINION**

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated financial statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) with the independence requirements that are relevant to our audit of the consolidated financial statements under the provisions of 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 opinion on the consolidated Ind AS financial statements.

### **EMPHASIS OF MATTER**

We draw attention to Note 18.1 of the accompanying financial results, as regards the outstanding balance of long-term borrowings have been considered from the repayment schedules due to COVID-19.

We draw attention to Note 46 of the accompanying financial results, as regards the management's evaluation of COVID-19 impact on the operations and assets of the Company.

Our report is not modified in respect of both the above matters.

### INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Group Company's Board of Directors are responsible for the preparation and presentation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including the Annexure to Board's Report, Corporate Governance and Shareholder's Information, but does not include the consolidated Ind AS financial statements and auditor's report thereon.

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

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

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

### MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

The Group Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("hereinafter referred to as the Act") with respect to the preparation of these consolidated Ind AS financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows, consolidated statement of changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group are responsible for 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; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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 consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Group, as aforesaid.

In preparing the consolidated Ind AS financial statements, the respective Board of Directors of the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of Group companies are responsible for overseeing the financial reporting process of the Group.

### AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated Ind AS 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 consolidated Ind AS 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 consolidated Ind AS 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 on the internal control relevant to the audit in order to design audit procedures that are
  appropriate in the circumstances as regard to whether the company has adequate internal financial controls
  system in place and operating effectiveness of such controls as required to report u/s 143(3)(i) of the Companies
  Act, 2013 we are also responsible for expressing our opinion on whether the Group 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 Group 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 consolidated Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated Ind AS financial statements, including the disclosures, and whether the consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates and joint ventures of which we are the independent auditors and whose financial information we have audited, to express an opinion on the consolidated Ind AS financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated Ind AS financial statements of which we are the independent auditors. For the other entities included in the consolidated Ind AS financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated Ind AS financial statements of which we are the independent auditors 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.

### **OTHER MATTERS**

We did not audit the financial information of four subsidiary companies, whose financial information reflects total assets of `1,56,522.63 lakhs as at 31 March 2020, total revenues `1,17,032.98 lakhs, net loss of `1,970.78 lakhs and net cash inflows of `15,143.84 lakhs for the year then ended on that date, as considered in the Consolidated Ind AS financial statements. The financial information of these subsidiaries have been audited by other auditors whose reports have been furnished to us by the management of the Holding Company, and our opinion in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is solely based on the report of the other auditors.

We did not audit the financial information of two unincorporated joint operations, whose financial information reflects total assets of Rs. 184.54 lakhs as at 31 March 2020, total revenues of Rs. 277.66 lakhs, net profit of Rs. 0.86 lakhs and net cash outflows of Rs. 1.83 lakhs for the year then ended on that date, as considered in the Standalone Ind AS financial statements. The financial information of these joint operations have been audited by other auditors whose reports have been furnished to us by the management of the Company, and our opinion in so far as it relates to the amounts and disclosures included in respect of these joint operations is solely based on the report of the other auditors.

Our opinion is not modified in this respect.

### REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

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 of the aforesaid consolidated Ind AS financial statements.
- b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated IndAS financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
- c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements;
- d. In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
- e. On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2020 taken on record by the Board of Directors of the Holding Company, none of the directors of the Company companies is disqualified as on 31st March, 2020 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 A".
- g. In our opinion, the managerial remuneration for the year ended March 31, 2020 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act.
- 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 Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The consolidated Ind AS financial statements disclose the impact of pending litigations on its consolidated financial position of the Group.
  - ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, its subsidiaries and joint ventures incorporated in India during the year ended March 31, 2020.

For, Surana Maloo & Co.
Chartered Accountants

Firm Registration Number 112171W

Per, S.D. Patel Partner

Membership No: 037671
UDIN: 20037671AAAANI8523

Date: 22/12/2020 Place: Ahmedabad

### **ANNEXURE - A**

### Annexure to the Independent Auditor's Report of even date on the Consolidated Ind AS Financial Statements of Patel Infrastructure Limited

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

In conjunction with our audit of the consolidated Ind AS financial statements of the Group as of and for the period ended March 31st, 2020, we have audited the financial controls over financial reporting of Patel Infrastructure Limited (hereinafter referred to as "the Holding Company") and its Subsidiaries, as of that date.

### MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Respective Board of Directors of the Group are 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 Act.

### **AUDITORS' RESPONSIBILITY**

Our responsibility is to express an opinion on the Group internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by the ICAI and deemed to be prescribed under section 143(10) of the Act, 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 with reference to these consolidated financial 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 with reference to these consolidated Ind AS financial statements 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 Group internal financial controls system over financial reporting.

### MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A company's internal financial control over financial reporting with reference to these consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting with reference to these consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Group; (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 Group 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 Group assets that could have a material effect on the Consolidated Ind AS financial statements.

### INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

Because of the inherent limitations of internal financial controls over financial reporting, over financial reporting with reference to these consolidated Ind AS financial statements including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements 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 Holding Company and its Subsidiaries which is incorporated in India, 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 31st March, 2020, based on the internal control over financial reporting criteria established by the respective Company, considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For, Surana Maloo & Co.

Chartered Accountants Firm Registration Number 112171W

Per, S.D. Patel Partner

Membership No: 037671
UDIN: 20037671AAAANI8523

Date: 22/12/2020 Place: Ahmedabad

### **CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2020**

(₹in Lakhs)

(c) Capital Work-in-progress 5 15,231.93 (c) Capital Work-in-progress 5 15,231 (e) Financial Assets (f) Right to use of assets 5 (a) 152.31 (e) Financial Assets (f) Nother Non-current financial assets 7 35,278.36 2,2 (f) Other non-current assets 9 3,928.68 2,77,705.15 58 (g) Other Non-current assets 9 3,928.68 2,77,705.15 58 (g) Current assets 7 7,705.15 58 (g) Capital Work-current Assets 9 3,928.68 2,77,705.15 58 (g) Capital Work-current Assets 7,7,705.15 58 (g) Capital Septiment	31, 2019
(a) Property, Plant and Equipment 5 31,888.04 3 (b) Other Intangible assets 5 231.93 (c) Capital Work-In-progress 5 157.28 (d) Right to use of assets 5 (a) 152.31 (e) Financial Assets (i) Investments 6 6 6.55 (ii) Other Non-current financial assets 7 35,278.36 2 (f) Other non-current assets 9 3,926.68 4 7 35,278.36 2 (f) Other non-current assets 9 3,926.68 4 7 3 3,926.68 4 7 3 3,926.68 4 7 3 3,926.68 4 7 3 3,926.68 4 7 3 3,926.68 4 7 3 3,926.68 4 7 3 3,926.68 4 7 3 3,926.68 4 7 3 3,926.68 5 7 3 3 3,926.68 5 7 3 3 3,926.68 5 7 3 3 3,926.68 5 7 3 3 3,926.68 5 7 3 3 3,926.68 5 7 3 3 3,926.68 5 7 3 3 3,926.68 5 7 3 3 3,926.68 5 7 3 3 3,926.68 5 7 3 3 3,926.68 5 7 3 3 3 3,926.68 5 7 3 3 3 3,926.68 5 7 3 3 3 3,926.68 5 7 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3 3	
(c) Capital Work-in-progress 5 157.28 (c) Capital Work-in-progress 5 157.28 (d) Right to use of assets 5(a) 152.31 (e) Financial Assets (ii) Investments 6 6 0.0.55 (iii) Other Non-current financial assets 7 35,278.36 2 (f) Other non-current assets 9 3,926.68 4 Total Non-current assets 10 11,626.26 (iv) Financial Assets (a) Inventories 10 11,626.26 (b) Financial Assets (iii) Trade receivables 11 6,166.35 in 11,626.26 (iv) Trade receivables 11 6,166.35 in 11,626.26 (iv) Trade receivables 11 6,166.35 in 11,626.26 (iv) Comment assets 12 12,842.33 in 11,626.26 (iv) Other current financial assets 13 10,1515.93 5.6 (iv) Other current financial assets 13 10,1515.93 5.7 (c) Current tax assets (Net) 14 6,188.10 44	
(c) Capital Work-in-progress 5 (a) 152.31 (d) Right to use of assets 5 (a) 152.31 (e) Financial Assets (ii) Investments 6 6 6.0.55 (iii) Other Non-current financial assets 7 3 52.78.36 2 2 (f) Other non-current assets 9 3,926.68 4 (a) Financial Assets 7,705.15 58 (b) Financial Assets 7,705.15 58 (c) Inventories 10 11,626.26 (d) Financial Assets (iii) Cash and cash equivalents 11 6,166.35 iii (iii) Cash and cash equivalents 12 12,842.33 (iii) Bank balances other than (iii) above 12 10,181.81 10,1515.93 55 (c) Current tax assets (Net) 14 6,186.10 42 (d) Other current assets 15 33,454.03 22 (d) Other current assets 15 33,454.03 22 (e) Other Large Market 16 4,560.00 46 (f) Other Equity 17 57,740.40 45 (ii) Cash and cash equivalents 16 4,560.00 46 (b) Other Equity 17 57,740.40 45 (c) Non Controlling Interests 17(a) 1,230.29 (c) Liabilities (a) Financial Liabilities (b) Long-term provisions 20 682.04 (iii) Cong Term Lease Liabilities 19 4,887.38 2 (iii) Long term borrowings 18 66,741.17 2 (iv) Long term borrowings 19 4,887.38 2 (iv) Other non-current financial Liabilities 19 4,887.38 2 (iv) Other non-current financial Liabilities 21 21,159.79 11 (iv) Contert asset Liabilities 21 21,159.79 11 (iv) Contert asset Liabilities 22 21,159.79 11 (iv) Contert tax asset Liabilities 35(b) 118.92 (iv) Other current liabilities 35(b) 118.92 (iv) Other current liabilities 35(b) 118.92 (iv) Other current financial Liabilities 24 20,181.90 13 (iv) Other current financial Liabilities 24 20,181.90 13 (iv) Other current liabilities 24 20,181.90 13 (iv) Other current liabilities 24 20,181.90 13 (iv) Other current liabilities 26 25,547.92 (iv) Other current liabilities 36 26 25	1,392.24
(d) Right to use of assets (e) Financial Assets (ii) investments (ii) Other Non-current financial assets (iii) Other Non-current financial assets (iii) Other Non-current states (iii) Other Non-current assets (iii) Cash and cash equivalents (iii) Cash and cash equivalents (iiii) Bank balances other than (iii) above (iii) Other current financial assets (iii) Cash and cash equivalents (iii) Bank balances other than (iii) above (iii) Other current financial assets (iii) Cash and cash equivalents (iii) Other current financial assets (iii) Other current Isabilities (iii) Other Current Isabilities (iii) Other Current Isabilities (iii) Other non-current Isabilities (iii) Other current Isabilities (iii) Oth	958.65
(e) Financial Assets (i) Investments 6 6 60.55 (ii) Other Non-current financial assets 7 35,278.36 2 (f) Other non-current assets 9 3,926.68 4  Total Non-current Assets 71,705.15 58  Total Non-current Assets 71,705.15 58  2 Current assets (a) Inventories 10 11,626.26 (b) Financial Assets (ii) Trade receivables 11 6,166.35 iii (iii) Cash and cash equivalents 12 12,842.33 (iii) Bank balances other than (iii) above 12 10,181.48 1.9 (iv) Other current financial assets 13 101,515.93 55 (c) Current tax assets (Net) 14 6,186.10 2.9 (iv) Other current financial assets 15 33,454.03 2.9 (iv) Other current assets 15 33,454.03 2.9 (iv) Carrent assets 15 33,454.03 2.9 (iv) Carrent assets 15 33,454.03 2.9 (iv) Carrent assets 181,972.48 100 Total Assets 253,677.63 167 (iv) Carrent assets 181,972.48 100 Total Assets 253,677.63 167 (iv) Carrent assets 181,972.48 100 Total Assets 253,677.63 167 (iv) Carrent assets 181,972.48 100 Total Assets 253,677.63 167 (iv) Carrent assets 181,972.48 100 Total Assets 10 Carrent	406.58
(i) Investments 6 6 6.55 (ii) Other Non-current financial assets 7 35,278.36 2 (ii) Other Non-current Assets 9 3,926.68 4  Total Non-current Assets 71,705.15 58  **Total Non-current Assets 71,705.15 58  **Current Asset Asset 6,705,705,705,705,705,705,705,705,705,705	
(ii) Other Non-current financial assets 7 35,278.36 2 (f) Other non-current assets 9 3,926.68 2 (f) Other non-current assets 9 3,926.68 2 (g) Non-current Assets 71,705.15 58  2 Current assets (a) Inventories 10 11,626.26 (b) Financial Assets (ii) Trade receivables 11 6,166.35 3 (iii) Cash and cash equivalents 12 12,842.33 3 (iii) Bank balances other than (ii) above 12 10,181.48 4 (iv) Other current financial assets 13 101,515.93 5 (c) Current tax assets (Net) 14 6,186.10 4 (d) Other current assets 15 33,454.03 22 Total Current assets 15 33,454.03 22 Total Assets 253,677.63 167 II. EQUITY AND LIABILITIES  I Equity (a) Equity share capital 16 4,560.00 4 (b) Other Equity 17 57,740.40 44 (c) Non Controlling Interests 17(a) 1,230.29 Total Equity 5 63,530.69 51  2 Liabilities  Non-current Liabilities (i) Long Term Lease Liabilities 5(b) 53.56 (iii) Other non-current financial Liabilities 19 4,887.38 2 (c) Deferred tax liabilities 19 4,887.38 2 (d) Other non-current financial Liabilities 95,372.91 44 (d) Other non-current financial Liabilities 95,372.91 44 (d) Other non-current financial Liabilities 95,372.91 44 (d) Other current asset Liabilities 95,372.91 44 (e) Deferred tax liabilities (Net) 8 1,848.97 (f) Other non-current liabilities 95,372.91 44 (g) Short Term Lease Liabilities 5(b) 18.92 (g) Short Term borrowings 22 13,165.90 23 (g) Short Term borrowings 22 13,165.90 23 (g) Short Term Lease Liabilities 5(b) 18.92 (g) Short Term borrowings 24 20,181.90 (g) Other current financial Liabilities 26 25,547.92 (h) Other current financial Liabilities 26 25,547.92 (h) Other current financial Liabilities	
(f) Other non-current assets         9         3,926.68         24           Total Non-current Assets         71,705.15         58           2 Current assets         71,705.15         58           (a) Inventories         10         11,626.26           (b) Financial Assets         11         6,166.35         6           (ii) Cash and cash equivalents         12         12,842.33         1           (iii) Bank balances other than (ii) above         12         10,181.48         3           (iv) Other current financial assets         13         10,151.593         5           (c) Current assets (Net)         14         6,186.10         4           (d) Other current assets         15         33,454.03         22           Total Current assets         181,972.48         106           Total Assets         253,677.63         167           II. Equity         16         4,560.00         4           (a) Equity share capital         16         4,560.00         4           (b) Other Equity         17         57,740.40         4           (c) Non Controlling Interests         17(a)         1,230.29         5           Total Equity         18         66,741.17         2      <	64.67
Total Non-current Assets  2 Current assets (a) Inventories (b) Financial Assets (i) Trade receivables (ii) Cash and cash equivalents (iii) Bank balances other than (ii) above (iii) Bank balances other than (iii) above (iii) Other current financial assets (iii) Cash and cash equivalents (iv) Other current financial Liabilities (iv) Other current sasets (iii) Bank balances other than (iii) above (iv) Other current assets (iii) Cash and cash equivalents (iv) Other current sasets (iii) Cash and cash equivalents (iv) Other current financial Liabilities (iv) Other current assets (iii) Cash and cash equivalents (iii) Other sasets (iii) Cash and cash equivalents (iii) Cash and cas	21,128.8
2 Current assets   (a) Inventories   10   11,626.26     (b) Financial Assets	4,633.36
(a) Inventories 10 11,626.26 (b) Financial Assets (i) Trade receivables 11 6,166.35 in 16,166.35 in 17,1626.26 (ii) Cash and cash equivalents 12 12,842.33 (iii) Bank balances other than (ii) above 12 10,181.48 in 17,151.59 in 18,165.93 is 19,165.93 is 101,515.93 is 19,165.93 is	3,584.36
(b) Financial Assets (i) Trade receivables (ii) Cash and cash equivalents (iii) Bank balances other than (ii) above (iv) Other current financial assets (iv) Other current assets (iv) Other Equity (iv) Other Current financial Liabilities (iv) Other Individual Equity (iv) Other Individual Equity (iv) Other Current financial Liabilities (iv) Other Current Liabilitie	
(i) Trade receivables (ii) Cash and cash equivalents (iii) Cash and cash equivalents (iii) Bank balances other than (ii) above (iv) Other current financial assets (iv) Other current assets (iv) Other Equity (iv) Other Current Idabilities (iv	8,188.6
(ii) Cash and cash equivalents 12 12,842.33  (iii) Bank balances other than (ii) above 12 10,181.48 19 (iv) Other current financial assets 13 101,515.93 55 (C) Current tax assets (Net) 14 6,186.10 44 6,186.10 44 (d) Other current assets 15 33,454.03 22 Total Current assets 15 33,454.03 27 Total Current assets 253,677.63 167 II. EQUITY AND LIABILITIES  1 Equity (a) Equity share capital 16 4,560.00 49 (b) Other Equity 17 57,740.40 45 (c) Non Controlling Interests 17(a) 1,230.29 Total Equity 63,530.69 51 (c) Non Controlling Interests 17(a) 1,230.29 Total Equity 63,530.69 51 (c) Long term borrowings 18 66,741.17 2 (d) Long term borrowings 18 66,741.17 2 (d) Long term Lease Liabilities 19 4,887.38 (d) Long-term provisions 20 682.04 (c) Deferred tax liabilities (Net) 8 1,848.97 (d) Other non-current liabilities 21 21,159.79 (d) Other non-current liabilities (ii) Non-current liabilities 21 21,159.79 (d) Other non-current liabilities 22 13,165.90 23 (iii) Short Term Lease Liabilities 5(b) 118.92 (iii) Short Term Lease Liabilities 5(b) 118.90 (d) Short Term Lease Liabilities 5(d) 25,547.92 (d) Other current liabilities 24 20,181.90 (d) Short term provisions 25 221.28 (e) Other current liabilities 26 25,547.92 (d) Other current liabilities 394,774.04 76	
(iii) Bank balances other than (ii) above 12 10,181.48 (iv) Other current financial assets 13 101,515.93 5.  (c) Current tax assets (Net) 14 6,186.10 4.  (d) Other current assets 15 33,454.03 2.  Total Current assets 15 33,454.03 2.  Total Current assets 181,972.48 106  Total Assets 253,677.63 167  II. EQUITY AND LIABILITIES  1 Equity  (a) Equity share capital 16 4,560.00 4.  (b) Other Equity 17 57,740.40 4.  (c) Non Controlling Interests 17(a) 1,230.29  Total Equity 63,530.69 51  2 Liabilities  Non-current liabilities  (i) Long term borrowings 18 66,741.17 2.  (ii) Long term borrowings 18 66,741.17 2.  (iii) Long term Lease Liabilities 19 4,887.38 2.  (b) Long-term provisions 20 682.04  (c) Deferred tax liabilities 19 4,887.38 2.  (d) Other non-current liabilities 21 21,159.79 14  Total Non-current liabilities 21 21,159.79 14  Total Non-current liabilities 21 3,537.91 3.  Total Non-current liabilities 21 3,537.91 4.  Total Non-current liabilities 21 3,537.91 4.  Total Non-current liabilities 21 3,538.12 2.  (iii) Short Term Lease Liabilities 5(b) 118.92  (iii) Trade payables 23 3,538.12 2.  (iv) Other current financial liabilities 24 20,181.90 13.  (b) Short term provisions 25 22.28  (c) Other current financial liabilities 26 25,547.92  Total Current liabilities 26 25,547.92	8,120.40
(ii) Other current financial assets 13 101,515.93 5. (c) Current tax assets (Net) 14 6,186.10 4. (d) Other current assets 15 33,454.03 2. Total Current assets 15 33,454.03 2. Total Current assets 1811,972.48 105 Total Assets 253,677.63 167  II. EQUITY AND LIABILITIES  I Equity (a) Equity share capital 16 4,560.00 4. (b) Other Equity 17 57,740.40 4. (c) Non Controlling Interests 17(a) 1,230.29 Total Equity 63,530.69 51  2 Liabilities  Non-current liabilities (a) Financial Liabilities (i) Long term borrowings 18 66,741.17 2 (ii) Long term bease Liabilities 5(b) 53.56 (iii) Other non-current financial Liabilities 19 4,887.38 2 (b) Long-term provisions 20 682.04 (c) Deferred tax liabilities (Net) 8 1,848.97 (d) Other non-current liabilities (a) Financial Liabilities (a) Financial Liabilities (b) Long-term provisions 21 21,159.79 16 Total Non-current liabilities (a) Financial Liabilities 95,372.91 47  3 Current liabilities (a) Financial Liabilities (b) Long-term provisions 21 3,165.90 23 (ii) Short Term Lease Liabilities 5(b) 118.92 (iii) Trade payables 23 35,538.12 25 (iv) Other current financial liabilities 24 20,181.90 (b) Short term provisions 25 22.128 (c) Other current liabilities 26 25,547.92 Total Current liabilities 26 25,547.92 Total Current liabilities 26 25,547.92 Total Current liabilities 26 25,547.92	1,778.33
(c) Current tax assets (Net) 14 6,186.10 24 (d) Other current assets 15 33,454.03 2;  Total Current assets 181,972.48 106 Total Assets 253,677.63 167  II. EQUITY AND LIABILITIES  I Equity  (a) Equity share capital 16 4,560.00 46 (c) Non Controlling Interests 17(a) 1,230.29  Total Equity 5 63,530.69 51  2 Liabilities Non-current liabilities (i) Long term borrowings 18 66,741.17 2 (iii) Long term borrowings 19 4,887.38 5 (iii) Other non-current liabilities 19 4,887.38 5 (b) Long-term provisions 20 682.04 (c) Deferred tax liabilities (Net) 8 1,848.97 (d) Other non-current liabilities 21 2,159.79 16 Total Non-current liabilities (a) Financial Liabilities 21 2,159.79 16 Total Non-current liabilities (het) 8 1,848.97 (d) Other non-current liabilities 21 2,159.79 16 Total Non-current liabilities (Net) 8 1,848.97 (d) Other non-current liabilities 21 2,159.79 16 Total Non-current liabilities (Net) 95,372.91 47 3 Current liabilities (n) Financial Financial Financial Financial Financi	5,767.28
(d) Other current assets 15 33,454.03 22 Total Current assets 181,972.48 105 Total Assets 253,677.63 167  II. EQUITY AND LIABILITIES  1 Equity  (a) Equity share capital 16 4,560.00 46 (b) Other Equity 17 57,740.40 45 (c) Non Controlling Interests 17(a) 1,230.29  Total Equity 63,530.69 51  2 Liabilities  Non-current liabilities (a) Financial Liabilities (i) Long term borrowings 18 66,741.17 2 (ii) Long Term Lease Liabilities 5(b) 53.56 (iii) Other non-current financial Liabilities 19 4,887.38 7 (i) Long-term provisions 20 682.04 (c) Deferred tax liabilities 19 4,888.97 (d) Other non-current liabilities 21 21,159.79 11 Total Non-current liabilities 21 21,159.79 11 Total Non-current liabilities 21 31,65.90 23 (ii) Short term borrowings 22 13,165.90 23 (iii) Short term borrowings 23 35,538.12 26 (iii) Trade payables 23 35,538.12 26 (iv) Other current financial liabilities 24 20,181.90 11 (b) Short term provisions 25 221.28 (c) Other current liabilities 26 25,547.92 (d) Other current liabilities 26 25,547.92 (e) Other current liabilities 26 25,547.92 (f) Other current liabilities 26 25,547.92 (e) Other current liabilities 26 25,547.92 (f) Other current liabilities 26 25,547.92 (g) Other current liabilities 26 25,547.92 (g) Other current liabilities 26 25,547.92 (h) Other current liabilities 26 25,547.92 (g) Other current liabilities 26 25,547.92 (h) Other current liabilities 26 25,547.92 (g) Other current liabilities 26 25,547.92 (h) Other current liabilities 26 25,547.92 (h) Other current liabilities 26 25,547.92	4,277.23
Total Current assets 181,972.48 100 Total Assets 253,677.63 167  II. Equity  (a) Equity share capital 16 4,560.00 46 (b) Other Equity 17 57,740.40 45 (c) Non Controlling Interests 17(a) 1,230.29  Total Equity 63,30.69 51  2 Liabilities  (a) Financial Liabilities  (i) Long term borrowings 18 66,741.17 2  (ii) Long term borrowings 18 66,741.17 2  (iii) Cher non-current financial Liabilities 19 4,887.38 2  (c) Deferred tax liabilities (Net) 8 1,848.97  (d) Other non-current liabilities 21 21,159.79 16  Total Non-current liabilities 21 21,159.79 16  Total Non-current liabilities 22 13,165.90 23  (iii) Short term borrowings 2 2 13,165.90 23  (iii) Short term borrowings 2 3 35,538.12 22  (iv) Other current financial liabilities 24 20,181.90 11  (b) Short term provisions 26 22,212.8  (c) Other current financial liabilities 26 25,547.92  (d) Other current financial liabilities 26 25,547.92  (e) Other current financial liabilities 26 25,547.92  Total Current liabilities 26 25,547.92	4,053.43
Total Assets   253,677.63   167   18.   EQUITY AND LIABILITIES     Equity	7,228.38
II. EQUITY AND LIABILITIES   1 Equity	9,413.66
1 Equity   (a)	7,998.02
(a) Equity share capital       16       4,560.00       4         (b) Other Equity       17       57,740.40       45         (c) Non Controlling Interests       17(a)       1,230.29         Total Equity       63,530.69       51         2 Liabilities         Non-current liabilities         (a) Financial Liabilities         (ii) Long term borrowings       18       66,741.17       2         (iii) Long Term Lease Liabilities       5(b)       53.56         (iii) Long Term Lease Liabilities       19       4,887.38       3         (b) Long-term provisions       20       682.04       682.04         (c) Deferred tax liabilities (Net)       8       1,848.97       682.04         (d) Other non-current liabilities       21       21,159.79       16         Total Non-current liabilities       21       21,159.79       16         Total Non-current liabilities       22       13,165.90       23         (a) Financial Liabilities       22       13,165.90       23         (ii) Short Term Lease Liabilities       5(b)       118.92         (iii) Trade payables       23       35,538.12       25 </td <td></td>	
(b) Other Equity 17 57,740.40 45 (c) Non Controlling Interests 17(a) 1,230.29    Total Equity 63,530.69 51   2 Liabilities	
(c) Non Controlling Interests 17(a) 1,230.29  Total Equity 63,530.69 51  2 Liabilities  Non-current liabilities  (a) Financial Liabilities  (i) Long term borrowings 18 66,741.17 2  (ii) Long Term Lease Liabilities 5(b) 53.56  (iii) Other non-current financial Liabilities 19 4,887.38 2  (b) Long-term provisions 20 682.04  (c) Deferred tax liabilities (Net) 8 1,848.97  (d) Other non-current liabilities 21 21,159.79 10  Total Non-current liabilities 21 21,159.79 10  3 Current liabilities  (a) Financial Liabilities  (i) Short Term Lease Liabilities 5(b) 118.92  (iii) Trade payables 23 35,538.12 23  (iv) Other current financial liabilities 24 20,181.90 13  (b) Short term provisions 25 221.28  (c) Other current liabilities 26 25,547.92  Total Current liabilities 26 25,547.92  Total Current liabilities 26 25,547.92	4,560.00
Total Equity         63,530.69         51           2 Liabilities           Non-current liabilities           (a) Financial Liabilities         8         66,741.17         2           (ii) Long Term Lease Liabilities         18         66,741.17         2           (iii) Other non-current financial Liabilities         19         4,887.38         2           (b) Long-term provisions         20         682.04         62.04           (c) Deferred tax liabilities (Net)         8         1,848.97         10           (d) Other non-current liabilities         21         21,159.79         10           Total Non-current liabilities         95,372.91         47           3 Current liabilities         95,372.91         47           (a) Financial Liabilities         22         13,165.90         23           (ii) Short term borrowings         22         13,165.90         23           (iii) Trade payables         23         35,538.12         29           (iv) Other current financial liabilities         24         20,181.90         13           (b) Short term provisions         25         221.28           (c) Other current liabilities         26         25,547.92         7<	5,620.96
Non-current liabilities	1,210.00
Non-current liabilities	1,390.96
(a) Financial Liabilities         (i) Long term borrowings       18       66,741.17       2         (ii) Long Term Lease Liabilities       5(b)       53.56         (iii) Other non-current financial Liabilities       19       4,887.38       2         (b) Long-term provisions       20       682.04       682.04         (c) Deferred tax liabilities (Net)       8       1,848.97       1         (d) Other non-current liabilities       21       21,159.79       10         Total Non-current liabilities       95,372.91       47         3 Current liabilities         (a) Financial Liabilities       22       13,165.90       23         (ii) Short term borrowings       22       13,165.90       23         (iii) Trade payables       23       35,538.12       26         (iv) Other current financial liabilities       24       20,181.90       13         (b) Short term provisions       25       221.28         (c) Other current liabilities       26       25,547.92       7         Total Current liabilities       94,774.04       7	
(i) Long term borrowings       18       66,741.17       2         (ii) Long Term Lease Liabilities       5(b)       53.56         (iii) Other non-current financial Liabilities       19       4,887.38       2         (b) Long-term provisions       20       682.04       682.04         (c) Deferred tax liabilities (Net)       8       1,848.97       1         (d) Other non-current liabilities       21       21,159.79       10         Total Non-current liabilities       95,372.91       47         3 Current liabilities         (a) Financial Liabilities       22       13,165.90       23         (ii) Short term borrowings       22       13,165.90       23         (iii) Trade payables       23       35,538.12       29         (iv) Other current financial liabilities       24       20,181.90       13         (b) Short term provisions       25       221.28         (c) Other current liabilities       26       25,547.92       7         Total Current liabilities       94,774.04       7	
(ii) Long Term Lease Liabilities       5(b)       53.56         (iii) Other non-current financial Liabilities       19       4,887.38       2         (b) Long-term provisions       20       682.04         (c) Deferred tax liabilities (Net)       8       1,848.97         (d) Other non-current liabilities       21       21,159.79       10         Total Non-current liabilities       95,372.91       47         3 Current liabilities         (a) Financial Liabilities       22       13,165.90       23         (ii) Short Term Lease Liabilities       5(b)       118.92       25         (iii) Trade payables       23       35,538.12       29         (iv) Other current financial liabilities       24       20,181.90       13         (b) Short term provisions       25       221.28         (c) Other current liabilities       26       25,547.92       7         Total Current liabilities       94,774.04       7	
(iii) Other non-current financial Liabilities       19       4,887.38       2         (b) Long-term provisions       20       682.04         (c) Deferred tax liabilities (Net)       8       1,848.97         (d) Other non-current liabilities       21       21,159.79       10         Total Non-current liabilities       95,372.91       47         3 Current liabilities         (a) Financial Liabilities       22       13,165.90       23         (ii) Short term borrowings       22       13,165.90       23         (iii) Trade payables       5(b)       118.92       25         (iv) Other current financial liabilities       24       20,181.90       13         (b) Short term provisions       25       221.28         (c) Other current liabilities       26       25,547.92       7         Total Current liabilities       94,774.04       7	27,670.1
(b) Long-term provisions       20       682.04         (c) Deferred tax liabilities (Net)       8       1,848.97         (d) Other non-current liabilities       21       21,159.79       10         Total Non-current liabilities       95,372.91       47         3 Current liabilities         (a) Financial Liabilities       22       13,165.90       23         (ii) Short Term Lease Liabilities       5(b)       118.92       25         (iii) Trade payables       23       35,538.12       25         (iv) Other current financial liabilities       24       20,181.90       13         (b) Short term provisions       25       221.28         (c) Other current liabilities       26       25,547.92       7         Total Current liabilities       94,774.04       7	
(c) Deferred tax liabilities (Net)       8       1,848.97         (d) Other non-current liabilities       21       21,159.79       10         Total Non-current liabilities       95,372.91       47         3 Current liabilities         (a) Financial Liabilities       (i) Short term borrowings       22       13,165.90       23         (ii) Short Term Lease Liabilities       5(b)       118.92       25         (iii) Trade payables       23       35,538.12       29         (iv) Other current financial liabilities       24       20,181.90       13         (b) Short term provisions       25       221.28         (c) Other current liabilities       26       25,547.92       7         Total Current liabilities       94,774.04       7	2,879.20
(d) Other non-current liabilities       21       21,159.79       10         Total Non-current liabilities       95,372.91       47         3 Current liabilities         (a) Financial Liabilities       22       13,165.90       23         (ii) Short Term Lease Liabilities       5(b)       118.92         (iii) Trade payables       23       35,538.12       29         (iv) Other current financial liabilities       24       20,181.90       13         (b) Short term provisions       25       221.28         (c) Other current liabilities       26       25,547.92       7         Total Current liabilities       94,774.04       7	602.10
Total Non-current liabilities         95,372.91         47           3 Current liabilities         (a) Financial Liabilities           (i) Short term borrowings         22         13,165.90         23           (ii) Short Term Lease Liabilities         5(b)         118.92           (iii) Trade payables         23         35,538.12         26           (iv) Other current financial liabilities         24         20,181.90         13           (b) Short term provisions         25         221.28           (c) Other current liabilities         26         25,547.92         7           Total Current liabilities         94,774.04         7	100.28
3 Current liabilities         (a) Financial Liabilities       22       13,165.90       23         (ii) Short Term Lease Liabilities       5(b)       118.92         (iii) Trade payables       23       35,538.12       29         (iv) Other current financial liabilities       24       20,181.90       13         (b) Short term provisions       25       221.28         (c) Other current liabilities       26       25,547.92       7         Total Current liabilities       94,774.04       7	0,664.15
(a) Financial Liabilities         (i) Short term borrowings       22       13,165.90       23         (ii) Short Term Lease Liabilities       5(b)       118.92         (iii) Trade payables       23       35,538.12       29         (iv) Other current financial liabilities       24       20,181.90       13         (b) Short term provisions       25       221.28         (c) Other current liabilities       26       25,547.92       7         Total Current liabilities       94,774.04       7	1,915.89
(i) Short term borrowings       22       13,165.90       23         (ii) Short Term Lease Liabilities       5(b)       118.92         (iii) Trade payables       23       35,538.12       29         (iv) Other current financial liabilities       24       20,181.90       13         (b) Short term provisions       25       221.28         (c) Other current liabilities       26       25,547.92       7         Total Current liabilities       94,774.04       7	
(ii) Short Term Lease Liabilities       5(b)       118.92         (iii) Trade payables       23       35,538.12       29         (iv) Other current financial liabilities       24       20,181.90       13         (b) Short term provisions       25       221.28         (c) Other current liabilities       26       25,547.92       7         Total Current liabilities       94,774.04       7	
(iii) Trade payables       23       35,538.12       29         (iv) Other current financial liabilities       24       20,181.90       13         (b) Short term provisions       25       221.28         (c) Other current liabilities       26       25,547.92       7         Total Current liabilities       94,774.04       7	3,336.4
(iv) Other current financial liabilities       24       20,181.90       13         (b) Short term provisions       25       221.28         (c) Other current liabilities       26       25,547.92       7         Total Current liabilities       94,774.04       7	
(b) Short term provisions       25       221.28         (c) Other current liabilities       26       25,547.92       7         Total Current liabilities       94,774.04       7	9,226.73
(c) Other current liabilities 26 25,547.92 70 Total Current liabilities 94,774.04 70	3,995.76
Total Current liabilities 94,774.04 74	178.69
•	7,953.53
Total Liabilities 190.146.94 116	4,691.17
.00100	6,607.06

As per our report of even date

For, Surana Maloo & Co. Chartered Accountants Firm Registration Number 112171W

Per, S.D. Patel

Partner

Membership No: 037671 Place : Ahmedabad

Date: December 22, 2020

For and Behalf of the Board of Directors

**Patel Infrastructure Limited** CIN: U45201GJ2004PLC043955

Pravinbhai V. Patel

Chairman & Director DIN: 00008911

**Prahalad Ray Mundra** 

Chief Financial Officer

Place : Vadodara

Date: December 22, 2020

**Arvind V. Patel** 

Managing Director DIN: 00009089

Aswini Kumar Sahu

Company Secretary ICSI Membership No.: F7476

### **CONSOLIDATED PROFIT & LOSS STATEMENT**

PATEL INFRASTRUCTURE LIMITED

CIN: U45201GJ2004PLC043955 as at March 31, 2020

PARTICULARS		Note No.	For the year ended March 31, 2020	For the year ended March 31, 2019
. REVENUE				
Revenue from Operation	s	27	209,900.80	150,565.53
Other Income		28	2,217.17	1,771.40
Total Income			212,117.97	152,336.93
I. EXPENSES				
Changes In Inventories Ir	Work In Progress	29	-	
Construction Expenses		29(a)	157,823.79	104,989.13
Employee Benefits Exper	ise	30	11,605.15	10,879.2
Finance costs		31	14,624.89	7,946.22
Depreciation and Amortiz	ation Expenses	5	4,846.58	8,053.67
Amortisation Expense on	Leased Assets	5a	115.43	
Other Expenses		32	5,903.99	6,588.24
Total Expenses			194,919.83	138,456.52
II. PROFIT BEFORE EXCEP	TIONAL ITEM AND TAX		17,198.14	13,880.40
V. EXCEPTIONAL ITEM		38	-	450.00
T. EXOLITIONALITEM				
/. PROFIT BEFORE TAX			17,198.14	13,430.40
/I. TAX EXPENSE:				
Current Tax		43	3,503.68	2,857.69
(Excess) / Short provision	n of earlier periods	43	182.03	-24.05
Deferred Tax		43	1738.90	2050.46
/II. PROFIT AFTER TAX			11,773.53	8,546.30
Other comprehensive in				
	lassified subsequently to profit or loss			
	ned benefit (liability)/ asset		27.97	-72.9
Income tax related to ab	ove items		-9.77	25.48
/III. OTHER COMPREHENSIV	/E INCOME (NET OF TAXES)		18.20	-47.43
X. TOTAL COMPREHENSIV	/E INCOME FOR THE YEAR		11 701 72	0 400 0
			11,791.73	8,498.87
Profit for the year attrib  Owners of the company	итаріе то		11.595.40	8.429.89
Non-controlling interests			178.13	8.429.88
Non-controlling interest			176.13	110.4
Other Comprehensive I Owners of the company	ncome for the year attributable to		18.20	-47.43
Non-controlling interests	5		18.20	-47.4
Total Communication In	come for the year attribute ble to			
•	come for the year attributable to		11.613.60	8.382.40
Owners of the company				
Non-controlling interests	<b>i</b>		178.13	116.4
C. EARNINGS PER EQUITY			44 770 52	
Profit attributable to equ	•		11.773.53	8.546.30
the year (Refer Note 39)			45,600,000	45,600,000
Nominal value of equity			10	10
Basic Earning per Share	(EPS)	39	25.82	18.74
Diluted Earning per Shar	- (FDC)	39	18.37	13.14

As per our report of even date

For, Surana Maloo & Co. Chartered Accountants Firm Registration Number 112171W

Per, S.D. Patel Partner Membership No: 037671

Place : Ahmedabad Date : December 22, 2020

For and Behalf of the Board of Directors

CIN: U45201GJ2004PLC043955

Pravinbhai V. Patel Chairman & Director DIN: 00008911

Place : Vadodara Date : December 22, 2020

Arvind V. Patel Managing Director DIN: 00009089

Aswini Kumar Sahu Company Secretary ICSI Membership No.: F7476

**Prahalad Ray Mundra** Chief Financial Officer

### **CONSOLIDATED CASH FLOW STATEMENT**

PATEL INFRASTRUCTURE LIMITED

CIN: U45201GJ2004PLC043955

as at March 31, 2020

(₹in Lakhs)

PARTICULARS	For the year ended March 31, 2020	For the year ende March 31, 201
A. CASH FLOW FROM OPERATING ACTIVITIES	•	
Profit before tax	17,198.14	13,430.4
Adjustment for:		
Depreciation and Amortisation Expense	4,846.58	8,053.6
Amortisation Expense on Leased Assets	115.43	0.0
(Profit) / Loss on Sale of Items of Property, Plant and Equipment (net)	6.27	-151.6
Interest and other borrowing cost	14,397.14	7,946.2
Amortisation cost on leased Assets	85.57	0.0
Dividend Income		0.0
Interest income on FDRs	-1,013.45	-745.′
Provision for / (write back) of Expected Credit Loss (net)	194.67	211.5
Fair valuation adjustment on security and other deposits (net)	-226.72	56.3
Profit on sale of Mutual Fund	0.00	-41.7
(Gain) / Loss arising on investment measured at FVTPL (net)	4.13	0.0
Actuarial Gain / (Loss)	27.97	-47.4
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	35,635.72	28,712.2
Adjustment For Working Capital Changes:		
Changes in Inventories	-3,437.65	-1,560.1
Changes in Trade Receivables	1,759.37	4,198.4
Changes in Financial Assets and Other Assets	-67,445.61	-44,205.1
Changes in Financial Liabilities and Other Payables	43,087.03	19,152.3
,		
CASH GENERATED FROM OPERATIONS	9,598.86	6,297.7
Direct Taxes paid (Net)	-5,818.38	-4,884.0
NET CASH FROM OPERATING ACTIVITIES	3,780.48	1,413.7
3. CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Property Plant and Equipment (including advances for capital expendi	iture) -4,050.64	-9,633.0
Sale of Items of Property Plant and Equipment	64.42	411.6
Dividend Paid during the year	-234.43	0.0
Investment in Bonds (made)/ sold	0.00	1,033.5
Interest income on FDRs	1,013.45	745.
Investment in Mutual Fund (made) / sold (net)	0.00	41.7
Changes in FDRs other than Cash and Cash Equivalents	-4,414.20	-391.5
NET CASH USED IN INVESTING ACTIVITIES	-7,621.40	-7,792.4
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from / (Repayments of) long term borrowings	20.052.44	9,960.3
Proceeds / (Repayments) from short term borrowings	39,653.44	-288.4
Payment for leased assets	-10,170.55	
•	-180.83	-7.946.3
Interest and other borrowing cost  NET CASH GENERATED FROM/ (USED IN) FINANCING ACTIVITIES	-14,397.14	-7,946.2 <b>17,25.6</b>
NET CASH GENERATED FROM (GSED IN) FINANCING ACTIVITIES	14,904.92	17,25.0
NET INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS	11,064.00	-4,653.1
OPENING BALANCE- CASH AND CASH EQUIVALENT	1,778.33	6,431.4
CLOSING BALANCE- CASH AND CASH EQUIVALENT	12,842.33	1,778.3

### NOTES TO THE CASH FLOW STATEMENT

- 1. 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".
- 2. Cash and cash equivalent comprises of:

### **CONSOLIDATED CASH FLOW STATEMENT**

as at March 31, 2020

### PATEL INFRASTRUCTURE LIMITED

CIN: U45201GJ2004PLC043955

(₹in Lakhs)

PARTICULARS	For the year ended March 31, 2020	For the year ended March 31, 2019
BALANCES WITH BANKS:		
- Current Accounts	12,711.17	1,555.10
- Cash credit account	73.75	0.00
Cash on hand	56.93	223.23
Cash in Transit	0.48	0.00
Cash and cash equivalents in Restated Standalone Statement of cash flow	12,842.33	1,778.33

As per our report of even date

For, Surana Maloo & Co. Chartered Accountants

Firm Registration Number 112171W

For and Behalf of the Board of Directors

**Patel Infrastructure Limited** 

CIN: U45201GJ2004PLC043955

Per, S.D. Patel

Partner Membership No: 037671 Pravinbhai V. Patel

Chairman & Director DIN: 00008911

**Arvind V. Patel** 

Managing Director DIN: 00009089

**Prahalad Ray Mundra** Chief Financial Officer

**Aswini Kumar Sahu** 

Company Secretary ICSI Membership No.: F7476

Place: Ahmedabad

Date: December 22, 2020

Place: Vadodara

Date: December 22, 2020

### **CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

PATEL INFRASTRUCTURE LIMITED CIN: U45201GJ2004PLC043955

### **A. EQUITY SHARE CAPITAL**

(₹in Lakhs)

PARTICULARS	NO. OF SHARES	AMOUNT	
Balance as at April 1, 2018	45,600,000	4,560.00	
Changes in equity share capital during the year 2018-19			
Add: Bonus Shares issued during the year	-	-	
Balance as at March 31, 2019	45,600,000	4,560.00	
Balance as at April 1, 2019	45,600,000	4,560.00	
Changes in equity share capital during the year 2019-20			
Add: Bonus Shares issued during the year	-	-	
Balance as at March 31, 2020	45,600,000	4,560.00	

### **B. OTHER EQUITY**

(₹in Lakhs)

		RE	ESERVES AND SI	JRPLUS			
PARTICULARS	RETAINED EARNINGS	OTHER COMPRE- HENSIVE INCOME - REMEASUREMENT OF DEFINED BENEFIT PLANS	DEBENTURE REDEMPTION RESERVE	OTHER EQUITY OCD	CAPITAL RESERVE	NON CONTROLLING INTERESTS (RETAINED EARNINGS)	TOTAL
Balance as at April 1, 2018	36,307.73	20.30	-	-	910.47	1,093.59	38,332.09
Profit attributable to owners of the Company	8,429.89	-	-	-	-	116.41	8,546.30
Other comprehensive income arising from Remeasurement of defined benefit obligation net of income tax	-	-47.43	-	-	-	-	-47.43
Balance at the end of the year March 31, 2019	44,737.62	-27.13	-		910.47	1,210.00	46,830.95
				-			
Balance as at April 1, 2019	44,737.62	-27.13	-	-	910.47	1,210.00	46,830.96
Profit attributable to owners of the Company	11,595.40	-	-		-	178.13	11,773.53
Other comprehensive income arising from Remeasurement of defined benefit obligation net of income tax	-	18.20	-	-	-	-	18.20
Dividend distribution tax on Interim Dividend	-76.60	-	-	-	-	-	-76.60
Transfer to Debenture Redemption Reserve	-1400.00	-	1400.00	-	-	_	-
Remeasurement of defined benefit obligation no more required	19.06	-19.06	-	-	-	-	-
Interim Dividend distribution during the year	-	-	-	-	-	-157.84	-157.84
(Incl of DDT)							
Other Equity OCD	-	-	-	582.44	-	-	582.44
Balance at the end of the year March 31, 2020	54,875.48	-28.00	1,400.00	582.44	910.47	1,230.29	58,970.69

As per our report of even date

For, Surana Maloo & Co. Chartered Accountants

Firm Registration Number 112171W

Per, S.D. Patel

Partner

Membership No: 037671

For and Behalf of the Board of Directors

**Patel Infrastructure Limited** 

CIN: U45201GJ2004PLC043955

Pravinbhai V. Patel

Chairman & Director DIN: 00008911

**Prahalad Ray Mundra** Chief Financial Officer

Arvind V. Patel Managing Director DIN: 00009089

Aswini Kumar Sahu Company Secretary ICSI Membership No.: F7476

Place : Ahmedabad

Date: December 22, 2020

Place: Vadodara

Date: December 22, 2020

### NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

PATEL INFRASTRUCTURE LIMITED CIN: U45201GJ2004PLC043955

### 1. CORPORATE INFORMATION

Patel Infrastructure Limited ('the Company'), incorporated in 2004 under the provisions of Companies Act, 1956, is a company domiciled in India with its registered office situated at Patel House, Besides Prakruti Resort, Chhani Road, Chhani, Vadodara, Gujarat.

The company is engaged in the business of construction of roads and highways, bridges, irrigation and mining projects, construction of commercial buildings, and other ancillary services like toll collection, operation and maintenance of highways on Engineering, Procurement and Construction Basis (EPC) and Built, Operate and Transfer (BOT) and Hybrid Annuity basis. The Company has promoted Special Purpose Vehicles (SPVs) for some of its projects, wherein Toll Collection Rights or Right to receive Annuity are received in exchange for the services rendered.

### 2. BASIS OF PREPARATION

### a. Basis of Accounting:

Consolidated 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.

The financial statements were authorized for issue in accordance with a resolution of the directors on December 22, 2020.

Consolidated 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.

### b. Functional and Presentation Currency

These Consolidated Financial Statements are presented in Indian Rupees (₹), which is the 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.

### 3. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The application of the Company's accounting policies in the preparation of the Consolidated 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.

### a. 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.

### b. Key Sources of estimation uncertainties

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

### Property, Plant and Equipment and Intangible Assets

Useful lives of tangible and intangible assets are based on the life prescribed in Schedule II of the Companies Act, 2013. In cases, where the useful lives are different from that prescribed in Schedule II, they are based on technical estimates and advice, taking into account the nature, estimated usage and operating conditions of the asset. Component Accounting is based on the management's best estimate of separately identifiable components of the asset.

### • 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 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.

### Defined benefit plans

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

Information about the various estimates and assumptions made in determining the present value of defined benefit obligations are disclosed in Note 36.

### Current / Deferred 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.

### • Revenue Recognition based on Percentage of Completion

Based on the output performance method such as survey of performance 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.

### • Service concession arrangement

The financial asset model indicates the cash flow to be generated over the project lifecycle. The key inputs of the model comprise of revenue inflows (annuity), expenses to incurred to earn the revenue, estimations on cost to build and maintain the asset, interest obligations based on financing pattern and other operational efficiencies. These inputs are based on circumstances existing and management judgement / assumption on the future expectations based on current situations. Judgements include management view on expected earnings in future years, changes in interest rates, cost inflation, government policy changes, etc. These input assumptions could affect the reported cash flow from the related assets and accordingly these assumptions are reviewed periodically.

### 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.

### 4. SIGNIFICANT ACCOUNTING POLICIES

### a. Basis of Consolidation Subsidiaries

The consolidated financial statements comprise the financial statements of the Holding Company, and

its subsidiary companies where Control exists when the Holding Company is exposed to, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through power over the entity. The financial statements of below mentioned subsidiary companies are included in these consolidated financial statements from the date that control commences until the date that control ceases.

		OING BY ULTIMATE COMPANY AS ON
NAME OF SUBSIDIARY	MARCH 31, 2020	MARCH 31, 2019
Patel Highway Management Private Limited	100	100
Patel Bridge Nirman Private Limited*	74	74
Patel Hospitality Private Limited	100	100
Patel Sethiyahopu Cholopuram Highway Private Limited**	100	100
Patel Cholopuram Thanjavur Highway Private Limited	100	100
Patel Darah Jhalawar Highway Private Limited	100	100
Patel Vadodara Kim Expressway Private Limited	100	100

<sup>\*</sup>Patel Highway Management Private Limited, wholly owned subsidiary of Patel Infrastructure Limited, holds 44.75% in the equity of Patel Bridge Nirman Private Limited.

As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Holding Company's Standalone financial statements. The financial statements of each of the subsidiaries used for the purpose of consolidation are drawn up to same reporting date as that of the Holding Company, i.e. year ended on March 31, 2020.

### **Procedures of Consolidation:**

The assets, liabilities, income and expenses of subsidiaries are aggregated and consolidated, line by line, from the date control is acquired to the date it ceases. Profit or loss and each component of other comprehensive income are attributed to the Group as owners and to the non-controlling interests.

Carrying amount of the Holding Company's investment in each subsidiary and the Holding Company's portion of equity of each subsidiary are offset (eliminated).

Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions) that are recognised in assets, such as inventory and property, plant and equipment, are eliminated in full, except as stated in below mentioned paragraph.

The Build, Operate and Transfer (BOT) contracts are governed by service concession agreements with government authorities (grantors). These contracts are executed through special purpose vehicles (SPV) incorporated for this purpose. Under these agreements, the SPV's (operator) does not own the road, but gets "Toll Collection Rights" or "Receivable under service concession arrangements" in exchange of the construction cost incurred while rendering construction services. As per the principals of Appendix D – "Service Concession Arrangements" to Ind AS 115, such rights have been recognized as either intangible assets or financial assets in the financial statements of the SPV basis type of rights gets. Since the construction revenue earned by the operator is considered as exchanged with the grantor against toll collection rights, revenue is recognised at fair value of construction services rendered and profit from such contracts is considered as realised. Accordingly, where work is sub-contracted to the Holding Company and/or fellow subsidiaries/ associates the intra group transactions pertaining to the BOT contracts and the profits thereon are taken as realized and not eliminated.

Non-controlling interest represents that part of the total comprehensive income and net assets of subsidiaries attributable to interests which are not owned, directly or indirectly, by the Holding Company.

### b. Goodwill or Capital Reserve on Consolidation

Goodwill on consolidation as on the date of transition represents the excess of cost of acquisition at each point of time of making the investment in the subsidiary over the Group's share in the net worth of a

<sup>\*\*</sup>Patel Highway Management Private Limited, wholly owned subsidiary of Patel Infrastructure Limited, holds 45.63% (P.Y.99.95%) in the equity of Patel Sethiyahopu Cholopuram Highway Private Limited.

subsidiary. For this purpose, the Group's share of net worth is determined on the basis of the latest financial statements, prior to the acquisition, after making necessary adjustments for material events between the date of such financial statements and the date of respective acquisition.

Capital reserve on consolidation represents excess of the Group's share in the net worth of a subsidiary over the cost of acquisition at each point of time of making the investment in the subsidiary. Goodwill arising on consolidation is not amortised, however, it is tested for impairment annually. In the event of cessation of operations of a subsidiary, the unimpaired goodwill is written off fully.

Goodwill on consolidation arising on acquisitions on or after the date of transition represents the excess of the cost of acquisition at each point of time of making the investment in the subsidiary, over the Group's share in the fair value of the net assets of a subsidiary.

### c. Property, Plant and Equipment

### Recognition and Measurement

Property, Plant and Equipment are measured at cost of acquisition or construction less accumulated depreciation and accumulated impairment losses, if any. Cost includes purchase price, non-refundable taxes and duties and all other costs attributable to bringing the asset to its working condition for intended use and estimated costs of dismantling and removing items and restoring the site on which it is located. Financing costs relating to borrowing funds attributable to acquisition of Property, Plant and Equipment are also included, for the period till such asset is put to use.

Spare parts and servicing equipment are recognized as property, plant and equipment, if they meet the definition property, plant and equipment and are expected to be used for more than one year. All other items of spares and servicing equipment are classified as item of inventories.

Subsequent Expenditure is capitalized only if it is probable that the future economic benefit associated with the expenditure will flow to the company and cost of the asset can be measured reliably.

Property, Plant and Equipment not ready for its intended use on the reporting date is disclosed as Capital Work-in-Progress and carried at cost.

### Depreciation

Depreciation on Property, Plant and Equipment is provided on the Straight Line Method (SLM) over the useful life of the assets as prescribed under Schedule II to the Companies Act, 2013. In respect of the Property, Plant and Equipment purchased during the year, depreciation is provided on pro rata basis from the date on which such asset is ready to be put to use. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any such change in the estimate accounted for on a prospective basis.

The estimated useful lives of items of Property, Plant & Equipment as prescribed in Schedule II of Companies Act, 2013 are as follows

ASSET CLASS	ESTIMATED USEFUL LIFE
Buildings (incl. temporary structures)	3 - 60 Years
Plant & Machineries	3 - 15 years
Office Equipment	5 years
Furniture & Fixtures	10 years
Vehicles	8 - 10 years
Computers & Peripherals	3 - 6 years

### Derecognition

Carrying amount of Property, Plant and Equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Gain or loss arising on the disposal or retirement of an item of Property, Plant and Equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

### d. Intangible Assets

### Recognition and Measurement

### **Toll Collection Rights arising from Service Concession Arrangements**

The Company constructs or upgrades infrastructure (construction or upgrade services) used to provide a public service and operates and maintains that infrastructure (operation services) for a specified period of time. These arrangements may include infrastructure used in a public-to-private service concession arrangement for its entire useful life.

Under the Concession Agreements, where the Company has received the right to charge users of the public service, such rights are recognised and classified as "Intangible Assets" in accordance with Appendix D- 'Service Concession Arrangements' of Ind AS 115- 'Revenue from contract with customer". Such right is not an unconditional right to receive consideration because the amounts are contingent to the extent that the public uses the service and thus are recognised and classified as intangible assets. Such an intangible asset is recognised by the Company at cost (which is the fair value of the consideration received or receivable for the construction services delivered) and is capitalized when the project is complete in all respects and receives the completion certificate from the authority as specified in the Concession Agreement.

An asset carried under concession arrangements is derecognised on disposal or when no future economic benefits are expected from its future use or disposal.

### Other Intangible Assets

Intangible assets with finite useful lives that are acquired separately are measured on initial recognition at cost and carried at cost less accumulated amortization and accumulated impairment losses.

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognized in profit and loss statement.

### Amortisation

The intangible rights which are recognised in the form of right to charge users of the infrastructure asset are amortized by taking proportionate of actual revenue received for the year over Total Projected Revenue from project to Cost of Intangible assets i.e. proportionate of actual revenue earned for the year over Total Projected Revenue from the Intangible assets expected to be earned over the balance concession period as estimated by the management.

As required, total Projected Revenue reviewed by the management at the end of each financial year and accordingly, the total projected revenue is adjusted to reflect any changes in the estimates which lead to the actual collection at the end of the concession period.

### Derecognition

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

### Impairment of Tangible and Intangible Assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. 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 for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

### a. Inventories

Stock of construction materials, stores & spares and embedded goods and fuel is valued at cost or net realizable value, whichever is lower after providing for obsolescence, if any, except in case of byproducts which are valued at net realizable value. Cost of inventories comprises of cost of purchase, cost of conversion and directly attributable overheads incurred in bringing them to their present location and condition. Cost is determined on First in First Out basis.

**Project Work in Progress** 

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

### b. Foreign Currency Transactions

Transactions in foreign currencies are translated into the respective functional currencies of the Company at the exchange rates at the date of the transaction or at an average rate if the average rate approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Nonmonetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Exchange differences are recognised in profit or loss.

### 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. Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

The specific recognition criteria described below must also be met before revenue is recognised.

### • Revenue from Contracts with customers

The Company has applied Ind AS 115 - Revenue from Contracts with Customers which is effective for an annual period beginning on or after April 1, 2018. The following is the significant accounting policy related to revenue recognition under Ind AS 115.

### Revenue under Service Concession Arrangements Toll Income

Income from Toll Operations is recognised in line with the Appendix D to Ind AS 115 – Service Concession Arrangements. The revenue is recognized in the period of collection which generally coincide as and when the traffic passes through toll plazas.

### Annuity income

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 Build, Operate & Transfer (BOT) 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.

### Revenue from Sale of Goods

Revenue from the sale of goods in the course of ordinary activities is measured at the fair value of the consideration received or receivable. Revenue is recognised when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, there is no continuing effective control over, or managerial involvement with, the goods, and the amount of revenue can be measured reliably.

### • Service income

It requires a contract as well as the various performance obligations contained in the contract to be identified. The number of performance obligations depends on the types of contracts and activities.

The fundamental principle is that the recognition of revenue from contracts with customers must reflect;

- The rate at which performance obligations are fulfilled, corresponding to the transfer to a customer of control of a good or service;
- Amount to which the seller expects to be entitled as consideration for its activities. The way in
  which transfer of control of a good or service is analyzed is crucial, since that transfer determines
  the recognition of revenue. The transfer of control of a good or service may take place continuously
  (revenue recognition on a progress towards completion basis) or on a specific date (recognition on
  completion).

Service income is recognized as per the terms of contracts with the customers when the related services are performed as per the stage of completion or on the achievement of agreed milestones and are net of indirect taxes, wherever applicable. For the year ended March 31, 2018, the Company was recognizing revenue as per the criteria provided in Ind AS 11 "Construction Contracts".

Contract amendments (relating to the price and/or scope of the contract) are recognized when approved by the client. Where amendments relate to new goods or services regarded as distinct under Ind AS 115, and where the contract price increases by an amount reflecting "stand-alone selling prices" of the additional goods or services, those amendments are recognized as a distinct contract.

Goods and Service Tax [GST] is not received by the Company on its own account. Rather, it is tax collected on value added to the goods by the Company on behalf of the government. Accordingly, it is excluded from revenue.

### Other Income

Interest income is recognized on a time proportion basis, by reference to the principal outstanding and the applicable EIR. The EIR is the rate that exactly discounts estimated future cash payments or receipts through the expected life of financial instruments to:

- The gross carrying amount of the financial assets, or
- The amortized cost of the financial liability

Dividend income is recognized when the right to receive dividend is established.

All other income is accounted on accrual basis when no significant uncertainty exists regarding the amount that will be received.

### e. Contract Balances

### Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.

### **Trade receivables**

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

### **Contract liabilities**

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract.

### f. Employee Benefits

### • Defined benefit plans

The company's gratuity benefit scheme is defined benefit plan. The company's net obligation in respect of defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. The Company accounts for the liability for the gratuity benefits payable in future based on an independent actuarial valuation carried out using Projected Unit Credit Method considering discounting rate relevant to Government Securities at the Balance Sheet Date.

Defined benefit costs in the nature of current and past service cost and net interest expense or income are recognized in the statement of profit and loss in the period in which they occur. Actuarial gains and losses arising from defined benefit plans in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur and is reflected immediately in retained earnings and not reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment.

The Company determines the net interest expense/ (income) on the net defined benefit liability/ (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability/ (asset), taking into account any changes in the net defined benefit liability/ (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognized in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognized immediately in profit or loss. The Company recognizes gains and losses on the settlement of a defined benefit plan when the settlement occurs.

### Defined Contribution plan

Company's contribution to provident fund and employee state insurance scheme are considered as defined contribution plans and are charged as an expense as they fall due based on the amount of contribution required to be made and when services are rendered by the employee.

### Compensated Absences

Employees can carry forward a portion of the unutilized accrued leaves and utilize it in future service periods or receive cash compensation on termination of employment. Provision for Compensated Absences and its classifications between current and non-current liabilities are based on independent actuarial valuation. The actuarial valuation is done as per the projected unit credit method as at the reporting date.

### • Short Term Employee Benefits

All employee benefits falling due wholly within twelve months of rendering the service are classified as short term employee benefits. These are measured on an undiscounted basis and expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

### q. 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 and item recognized directly in equity or in other comprehensive income.

### Current Tax

Current tax comprises of the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current income tax liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantially enacted at the reporting date.

Minimum Alternate Tax (MAT) eligible for set-off in subsequent years (as per tax laws), is recognised as an asset by way of credit to the Statement of Profit and Loss only if there is convincing evidence of its realisation. At each Balance Sheet date, the carrying amount of MAT Credit Entitlement receivable is reviewed to reassure realization.

### Deferred Tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities in the company's financial statements and the corresponding tax bases used in computation of taxable profit. Deferred Tax is also recognized in respect of carried forward tax losses and tax credits.

Deferred tax assets are generally recognised for all taxable temporary differences to the extent that is probable that taxable profits will be available against which those deductible temporary differences can be utilised. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

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

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the company expects, at the end of reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

Any tax credit available is recognised as deferred tax to the extent that it is probable that future taxable profit will be available against which the unused tax credit can be utilized. The said asset is created by way of credit to the statement of Profit and loss and shown under the head of deferred tax.

### h. Segment Reporting

In accordance with the requirements of Ind AS 108 - "Segment Reporting", the Company is primarily engaged in a business of Infrastructure Development and has no other primary reportable segments. Further, the Company operates on Pan India basis and accordingly has no reportable geographical segments. The Managing Director of the Company allocates the resources and assess the performance of the Company, thus he is the Chief Operating Decision Maker (CODM). The CODM monitors the operating results of the business as a single segment, hence no separate segment needs to be disclosed.

### 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. 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.

### • Investments in Equity Instruments

All Equity Investments falling within the scope of Ind AS – 109 are measured at Fair Value through Profit and Loss (FVTPL) with all fair value changes being recognized in profit and loss statement.

### 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 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.

For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

### 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/ losses 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 derecognised as well as through the EIR amortisation process.

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

### iii. Derecognition of financial liabilities

A financial liability (or a part of a financial liability) is derecognised 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 realise the assets and settle the liabilities simultaneously.

### k. Lease

### Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

### i. Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis from the commencement date to the end of lease term. If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. Refer to the accounting policies of Impairment of non-financial assets.

### ii. Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs. In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

### iii. Short term leases and leases of low value of assets

The Company applies the short-term lease recognition exemption to its short-term leases of machinery and equipment. It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

### Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

### **Transition to Ind AS 116 Leases**

The Ministry of Corporate Affairs ("MCA") through the Companies (Indian Accounting Standards) Amendment Rules, 2019 has notified Ind AS 116 Leases ('Ind AS 116') which replaces the existing lease standard, Ind AS 17 Leases. Ind AS 116 sets out the principles for recognition, measurement, presentation and disclosure of leases for both lessees and lessors.

Effective April 1, 2019, the Company has adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on the date of initial application i.e. April 1, 2019. The Company has used the modified retrospective approach for transitioning to Ind AS 116 with right-of-use asset recognized at an amount equal to the lease liability. Accordingly, comparatives for the year ended March 31,2019 have not been retrospectively adjusted.

The above approach has resulted in a recognition of a right of-use asset of Rs. 267.74 Lakhs and a lease liability of Rs. 267.74 Lakhs on the date of initial application. The Impact on the profit for the year ended is not material. Further details about Leases are given in Note 5(a).

### i. 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
- 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.

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)

### m. Cash and Cash Equivalents

Cash and Cash Equivalents in the Balance Sheet comprise cash on hand, bank balance in current and cash credit accounts and short term highly liquid instruments.

### n. Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

### o. Interest in Joint Arrangements

As per Ind AS 111 - Joint Arrangements, investment in Joint Arrangement is classified as either Joint Operation or Joint Venture. The classification depends on the contractual rights and obligations of each investor rather than legal structure of the Joint Arrangement.

In case of Joint Operation

The Company recognises its direct right to assets, liabilities, revenue and expenses of Joint Operations and its share of any jointly held or incurred assets, liabilities, revenues and expenses. These have been incorporated in the financial statements under the appropriate headings and are included in the segments to which they relate.

The audited financial information of below mentioned joint operations ventured by the company for years mentioned there against have been included in the Consolidated financial statements:

JOINT OPERATION	DATE OF FORMATION	CONTROLLING SHARE
PIPL KCL JV	17.09.2013	51
Sadbhav PIPL JV	21.07.2015	49
Kalthia Engineering & Construction Limited Patel Infrastructure Private Limited Joint Venture	09.03.2015	30

## NOTE 5 - PROPERTY, PLANT & EQUIPMENT, CAPITAL WORK-IN-PROGRESS **NOTES TO CONSOLIDATED FINANCIAL STATEMENT AND INTANGIBLE ASSETS**

					PROPERTY, PL/	PROPERTY, PLANT & EQUIPMENT	Þ				
GROSS BLOCK	FREE HOLD LAND	BUILDINGS	PLANT & MACHINERY	EARTH MOVERS	COMPUTERS	TW0 WHEELERS	FURNITURE & FIXTURES	MOTOR VEHICLES	OFFICE EQUIPMENT	MOTOR Lories	TOTAL
Balance as at April 1, 2018	2,359.78	411.95	16,182.52	3,131.02	380.98	10.30	654.14	1,341.99	338.94	6,303.04	31,114.66
Additions	71.19	13.10	5,268.92	1,875.16	102.51	7.88	316.27	179.96	120.07	1,550.16	9,505.23
Disposals	ı	ı	413.86	1	ı	2.21	ı	124.12	ı	5.19	545.38
Balance as at March 31, 2019	2,430.97	425.05	21,037.58	5,006.18	483.50	15.97	970.41	1,397.83	459.02	7,848.01	40,074.51
Balance as at April 1, 2019	2,430.97	425.05	21,037.58	5,006.18	483.50	15.97	970.41	1,397.82	459.02	7,848.01	40,074.51
Additions	938.71	ı	2,376.50	239.93	80.01	4.38	308.48	379.06	83.03	286.27	4,696.36
Disposals	1	1	146.38	,	2.15	0.42	ı	90.40	0.91	ı	240.26
Balance as at March 31, 2020	3,369.68	425.05	23,267.70	5,246.11	561.37	19.92	1,278.88	1,686.49	541.14	8,134.27	44,530.61

					PROPERTY, PLA	PROPERTY, PLANT & EQUIPMENT	5				
ACCUMULATED DEPRECIATION	FREE HOLD LAND	BUILDINGS	PLANT & MACHINERY	EARTH MOVERS	COMPUTERS	TWO	FURNITURE & FIXTURES	MOTOR Vehicles	OFFICE EQUIPMENT	MOTOR Lories	TOTAL
Balance as at April 1, 2018	,	22.02	2,432.91	554.75	114.54	3.61	135.21	281.39	123.83	1,486.59	5,154.88
Depreciation / amortisation for the year	1	11.40	1,819.25	556.90	82.59	2.05	89.73	193.78	70.35	986.70	3,812.75
Disposals	ı	ı	186.15		ı	1.58	ı	92.70	ı	4.93	285.36
Balance as at March 31, 2019	•	33.42	4,066.01	1,111.65	197.14	4.08	224.95	382.46	194.18	2,468.36	8,682.27
Balance as at April 1, 2019	1	33.42	4,066.01	1,111.65	197.14	4.08	224.95	382.46	194.18	2,468.36	8,682.27
Depreciation / amortisation for the year	ı	9.15	1,957.96	546.63	87.31	2.24	169.96	194.50	117.92	1,034.21	4,119.87
Disposals	1	1	128.48	1	2.07	0.33	1	38.33	0.35	1	169.56
Balance as at March 31, 2020	1	42.58	5,895.49	1,658.28	282.39	5.98	394.91	538.63	311.76	3,502.57	12,632.57

					PROPERTY, PLA	NT & EQUIPMEN					
CARRYING Amount (Net)	FREE HOLD LAND	BUILDINGS	PLANT & MACHINERY	EARTH MOVERS	COMPUTERS	TW0 WHEELERS	FURNITURE & FIXTURES	MOTOR VEHICLES	OFFICE EQUIPMENT	MOTOR Lories	TOTAL
As at March 31, 2019	2,430.97	391.63	16,971.56	3,894.53	286.36	11.89	745.46	1,015.36	264.83	5,379.65	31,392.24
As at March 31, 2020	3,369.68	382.47	17,372.21	3,587.83	278.98	13.94	883.97	1,147.86	229.38	4,631.71	31,898.04

- Other Notes

  (a) Individual assets of Property, Plant and Equipment has been reclassified wherever necessary.

  (b) Refer Note 18.1, 18.2 and 22.1 for assets mortgaged / hypothecated as security.

  (c) Estimated useful life of the assets is in line with useful life prescribed in schedule II of The Companies Act, 2013.

### CIN: U45201GJ2004PLC043955 PATEL INFRASTRUCTURE LIMITED

# NOTE 5 - PROPERTY, PLANT & EQUIPMENT, CAPITAL WORK-IN-PROGRESS NOTES TO CONSOLIDATED FINANCIAL STATEMENT

**AND INTANGIBLE ASSETS** 

				HTO	THER INTANGIBLE ASSET	ASSETS				
GROSS BLOCK	PLANTATION		MAJOR TOLL PLAZA MAINTENANCE	WEIGH IN MOTION	COMPUTER TOLL SYSTEM	COMPUTER SOFTWARE	TOTAL OTHER INTANGIBLE ASSETS	INTANGIBLES UNDER DEVELOPMENT	CAPITAL WORK IN PROGRESS	
Balance as at April 1, 2018 (*)	23.62	300.76	12,867.98	309.21	119.74	323.55	13,944.87		131.60	
Additions	ı	ı	ı	ı	1	4.71	4.71	ı	275.14	
Disposals	1	ı	1	1	1	1	1	1	1	
Balance as at March 31, 2019	23.62	300.76	12,867.98	309.21	119.74	328.26	13,949.57	1	406.73	
Balance as at April 1, 2019	23.62	300.76	12,867.98	309.21	119.74	328.26	13,949.57	ı	406.73	
Additions	-	1	1	1	1	1	1	1	13.16	
Disposals	-	1		1			1	•	262.62	
Balance as at March 31, 2020	23.62	300.76	12,867.98	309.21	119.74	328.26	13,949.57	1	157.28	

MAJOR   WEIGH IN   FLANTATION   TOLL PLAZA   MAINTENANGE   MOTION   S   7.11   90.58   3,982.18   93.12   93.12   93.12   93.12   93.12   93.12   93.12   93.12   93.12   93.12   93.12   93.43   93.12   93.14   93.15   93.15   93.15   93.15   93.15   93.43   93.15   93					OT	THER INTANGIBLE ASSET	ASSETS			
s at April 1, 2018 (*)  7.11 90.58 3,982.18 93.12  s at March 31, 2019 22.43 285.67 12,204.28 293.69 1.19 15.10 663.70 15.52	NULATED DEPRECIATION	PLANTATION		MAJOR MAINTENANCE	WEIGH IN MOTION	COMPUTER TOLL SYSTEM	COMPUTER SOFTWARE	TOTAL OTHER INTANGIBLE ASSETS	INTANGIBLES UNDER DEVELOPMENT	CAPITAL WORK IN PROGRESS
5 at March 31, 2019 5 at March 31, 2019 5 at April 1, 2019 5 at April 1, 2019 5 at April 1, 2019 7 22.43 7 285.67 7 12, 204.28 7 293.69 7 11, 2019 7 12, 204.28 7	ce as at April 1, 2018 (*)	15.32	195.09	8,222.10	200.57	77.67	39.26	8,750.00	•	
s at March 31, 2019 22.43 285.67 12, 204.28 293.69 22.43 285.67 12, 204.28 293.69 1.19 15.10 663.70 15.52	ons	7.11	90.58	3,982.18	93.12	36.06	31.87	4,240.92	ı	ı
s at March 31, 2019 22.43 285.67 12, 204.28 293.69  1.19 15.10 663.70 15.52  1.19 15.10 663.70 15.52  1.19 15.10 663.70 15.52	sals	1	1	1	1	1	1	1	1	1
s at April 1, 2019 22.43 285.67 12,204.28 293.69 1.19 15.10 663.70 15.52 1.20 15.52 1.20 15.52 1.20 15.52 1.20 15.52 1.20 15.50 15.52 1.20 15.50	ce as at March 31, 2019	22.43	285.67		293.69	113.73	71.13	12,990.92	1	1
1.19 15.10 663.70 15.52 	ce as at April 1, 2019	22.43	285.67		293.69	113.73	71.13	12,990.92	•	ı
	ons	1.19	15.10	663.70	15.52	6.01	25.20	726.72	1	1
22 e2 300.76 12 867 98 309 21	sals	1	1	1		1	1	•	1	1
23:02	Balance as at March 31, 2020	23.62	300.76	12,867.98	309.21	119.74	96.32	13,717.64	1	1

				HL	ER INTANGIBLE	ASSETS				
CUMULATED DEPRECIATION	PLANTATION	PLANTATION TOLL PLAZA N	MAJOR MAINTENANCE	WEIGH IN MOTION	COMPUTER TOLL SYSTEM	COMPUTER SOFTWARE	TOTAL OTHER INTANGIBLE ASSETS	INTANGIBLES UNDER DEVELOPMENT	CAPITAL WORK IN PROGRESS	
As at March 31, 2019	1.19	15.10	663.70	15.52	6.01	257.13	958.65	,	406.58	
As at March 31, 2020	1	1	1	ı	ı	231.93	231.93	1	157.28	

<sup>(</sup>a) Individual assets of Property, Plant and Equipment has been reclassified wherever necessary.
(b) Refer Note 18.1, 18.2 and 22.1 for assets mortgaged / hypothecated as security.
(c) Estimated useful life of the assets is in line with useful life prescribed in schedule II of The Companies Act, 2013.
(\*) As per IND AS- 8 Accounting Policies, Change in Accounting Estimates and Errors, the retained earning and Capital work-in-progress ("CWIP") balance as at April 1, 2018 in the Financial statement of 2018-19 have been restated amounting to Rs. 0.16 Lakhs on account of erroneous effect. Hence, the CWIP has been increased to the extent of Rs. 0.16 Lakhs compared to reported figures of Financial Year 2018-19. Similarly, Retained Earnings has been reduced.

### PATEL INFRASTRUCTURE LIMITED CIN: U45201GJ2004PLC043955

### NOTES TO CONSOLIDATED FINANCIAL STATEMENT

Note 5(a): Right of use assets

Gross Block (At cost) (₹ in Lakhs)

PARTICULARS	AMOUNT
Balance as at April 01, 2019	-
(Transition Impact on adoption of Ind AS 116 – Refer note 5(b))	-
Additions:	
Addition on account of adoption of Ind AS 116 (Refer note 5(b))	267.74
Balance as at March 31, 2020	267.74

### **Accumulated amortisation**

(₹in Lakhs)

PARTICULARS	AMOUNT
Balance as at April 01, 2019	-
Amortisation for the year	-
Addition on account of adoption of Ind AS 116 (Refer note 5(b))	115.43
Balance at March 31, 2020	115.43
Carrying amounts (net) as at March 31, 2020	152.31

### Note 5(b): Leases

### **Transition to Ind AS 116, Leases**

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified the Ind AS 116 Leases which replaces the existing lease standard, Ind AS 17 Leases, and other interpretations. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors.

Effective 1 April, 2019, the Company adopted Ind AS 116 – Leases and applied the standard to all lease contracts existing on 1 April, 2019 using the modified retrospective method. The Company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate at the date of initial application and right of use asset at an amount equal to the lease liability adjusted for any prepayments/accruals recognised in the balance sheet as on 31 March, 2019. There is no impact on retained earnings as on 1 April, 2019.

The Company has elected below practical expedients on transition to Ind AS 116:

- 1. Applied a single discount rate to a portfolio of leases with reasonably similar characteristics.
- 2. Applied the exemption not to recognise right of use assets and lease liabilities with less than 12 months of lease term on the date of initial application.
- 3. Excluded the initial direct costs from the measurement of right of use asset at the date of initial application.
- 4. Elected not to reassess whether a contract is, or contains a lease at the date of initial application. Instead, for contracts entered into before the transition date, the Company relied on its assessment made applying Ind AS 17 Leases.
- 5. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified assets for a period of time in exchange for consideration.
- 6. Ind AS 116 introduces a single, on-balance sheet lease accounting model for lessees. The Company has adopted Ind AS 116, effective annual reporting period beginning 1 April, 2019 and applied the standards to its leases, prospectively, applying the standards on initial application without making any adjustment to opening balance of retained earnings.
- 7. The Company has elected not to apply the requirements of Ind AS 116 to short term leases of all the assets that have a lease term of twelve months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight line basis over the lease term.

8. The weighted average incremental borrowing rate applied to lease liabilities as at 1 April, 2019 is 10%.

The following is the movement in lease liabilities during the year ended 31 March, 2020

(₹in Lakhs)

PARTICULARS	AMOUNT
Balance as at April 01, 2019	
Lease liabilities on account of adoption of Ind AS 116	267.74
Interest on lease liability (Refer Note 31)	85.57
Payments of lease liabilities	180.83
Balance as at March 31, 2020	172.48

### **Bifurcation of Lease Liabilties:**

(₹in Lakhs)

PARTICULARS	AMOUNT
Current	118.92
Non Current	53.56

### Disclosure of Operating Leases under Ind AS 17

### Leases as lessee

The Company has obtained premises (office, residential and godowns), machineries and cars taken on lease. The terms of lease include terms of renewals, increase in rent in future period, terms of cancellation, etc. The agreements are executed for a period of 11 months to 37 months with a renewable clause and also provide for termination at will by either party giving a prior notice of 1 to 3 months at any time during the lease term.

### Amounts recognised in the Standalone Statement of Profit and Loss

PARTICULARS	AMOUNT
Rent Expenses (Refer Note 32)	273.18
Total	273.18

CIN: U45201GJ2004PLC043955

### NOTES TO CONSOLIDATED FINANCIAL STATEMENT

### Note 6: Investments

(₹in Lakhs)

PARTICULARS	As at March 31, 2020	As at March 31, 2019
Investment in equity instruments		
Quoted		
4,500 Equity Shares in IRB Infra Developers Limited, of Rs. 10 fully paid up	2.39	6.52
24 Equity Shares in Reliance Power Limited, of Rs. 10 fully paid up	-	0.00
Unquoted		
10,000 Equity Shares in Jay Hind Leasing & Finance Limited, of Rs. 10 fully paid up	1.00	1.00
2,50,000 Equity Shares in Grand Mahi Club & Banquets Private Limited, of Rs. 10 fully paid up	25.00	25.00
12 Equity in The Sarvoday Co-Op. Credit Soc. Limited, of Rs. 10 fully paid up	0.03	0.03
2 Equity in The Co-Op. Bank of Rajkot Limited, of Rs. 25 fully paid up	-	-
Investments in Bonds		
Sardar Sarovar Narmada Nigam Bond	32.13	32.13
Total	60.55	64.67

Note 6.1: In case of investments in shares of private limited companies which are immaterial to the company and where fair value is not readily available from the market observable inputs are valued at Cost.

The aggregate book value and market value of quoted non - current investments and book value of un-quoted non-current investments are as follows :

(₹in Lakhs)

PARTICULARS	As at March 31, 2020	As at March 31, 2019
Quoted non-current investments in Equity Instruments		
Aggregate book value	8.39	8.39
Aggregate market value	2.39	6.52
Aggregate book value of un-quoted non-current investments	58.16	58.15

### Note 7: Other Non current financial assets

(₹in Lakhs)

PARTICULARS	AS AT MARCH 31, 2020 AS A	AT MARCH 31, 2019
Security deposits and retention money	45.76	2,921.38
Fixed Deposits - Maturing after 12 months from reporting date*	6,811.79	5,422.79
Interest accured but not due from related party	3.09	-
Receivable under Service Concession Agreement	28,417.72	12,784.68
Total	35,278.36	21,128.85

<sup>\*</sup>Above Fixed Deposits made with bank, are given to customers as Security and Earnest Money Deposit and Lien Marked with bank.

### Note 8: Deferred Tax (Assets)/Liabilities (Net)

PARTICULARS	AS AT MARCH 31, 2020	AS AT MARCH 31, 2019
Deferred Tax Liabilities		
Excess of depreciation and amortization on fixed assets under income tax law over depreciation and amortization provided in accounts	5,151	.57 4,967.10
Fair Valuation of financial liabilities	149.	.64 216.76
Prepaid Expenses	1,250	.74 -
Less: Deferred Tax Assets		
Provision for Expected Credit Loss	367	.72 299.70
Provision for Gratuity	249.	.38 212.45
Provision for Compensated absences	65.	.89 59.69
Provision for Bonus	150	.59 188.03
Fair Valuation of non-current Investment carried at FVTPL	2	.12 0.67
Fair Valuation of financial assets	45	.15 174.06
Capital Expenditure allowable in future years under Income Tax Law	108	.18 113.58

PARTICULARS	AS AT MARCH 31, 2020	AS AT MARCH 31, 2019
MAT Credit Entitlement	2,074.67	3,623.20
Unabsorbed Business losses	1,639.28	412.19
Net Deferred Tax Liabilities	1,848.97	100.28

Note 8.1 Refer Note 43 for Movement in Deferred Taxes.

### **Note 9: Other Non current assets**

(₹in Lakhs)

PARTICULARS	AS AT MARCH 31, 2020	AS AT MARCH 31, 2019
Security deposits and retention money	288.88	239.50
Advances for capital goods	209.25	605.51
Prepaid Expenses	253.54	432.02
Unamortised Processing Fees	3175.01	3,356.33
Total	3,926.68	4,633.36

### **Note 10: Inventories**

(₹in Lakhs)

PARTICULARS	AS AT MARCH 31, 2020	AS AT MARCH 31, 2019
Construction Material	11,626.26	8,188.61
Total	11,626.26	8,188.61

Note 10.1: Construction material are hypothecated to bank against working capital facility.

### **Note 11: Trade receivables**

(₹in Lakhs)

PARTICULARS	AS AT MARCH 31, 2020	AS AT MARCH 31, 2019
Unsecured, considered good	7,218.67	8,978.05
	7,218.67	8,978.05
Allowance for expected credit loss (Refer Note 11.2)	1,052.32	857.65
Total	6,166.35	8,120.40

Note 11.1 Trade receivables are hypothecated to bank against working capital facility. (Refer Note 22.1)

Note 11.2 Since, majority of receivables to the company are from Government Authorities and from subsidiary companies, they are relatively secured from credit losses in the future. Provision for expected delay in realisation of trade receivables beyond contractual terms is determined using a provision matrix which takes into account available external and internal liquidity risk factors including historical experience and adjusted for forward looking information. The Company uses an estimated economic value based on age of receivables to compute the expected credit loss allowance.

### **Ageing of Receivables**

(₹in Lakhs)

PARTICULARS	AS AT MARCH 31, 2020	AS AT MARCH 31, 2019
Outstanding for a period less than six months	5,639.88	2,7288.12
Outstanding for a period more than six months	1,578.80	1,348.01
Total Receivables	7,218.67	28,636.13

### **Change in Allowance for Expected Credit Loss**

PARTICULARS	AS AT MARCH 31, 2020	AS AT MARCH 31, 2019
At the beginning of the year	857.65	646.07
Addition During the year	194.67	211.58
Reversal During the Period / year	-	-
Provision at the end of the year	1,052.32	857.65

PARTICULARS	AS AT MARCH 31, 2020	AS AT MARCH 31, 2019
(A) Cash and Cash Equivalents		
a) Balance with banks		
- In Current Accounts	12,711.17	1,555.10
- In Cash Credit Accounts	73.75	-
b) Cash on hand	56.93	223.23
c) Cash in Transit	0.48	-
Total (A)	12,842.33	1,778.33
(B) Bank balances other than Cash and Cash equivalents		
Fixed Deposits - Maturing within 12 months from reporting date*	9,714.20	5,767.28
Fixed Deposits for NCD- Maturing within 12 months from reporting date**	467.28	-
Total (B)	10,181.48	5,767.28
Total (A+B)	23,023.81	7,545.61

<sup>\*</sup>Above Fixed Deposits made with bank is given to customers as Security and Earnest Money Deposit and Lien Marked with bank for working capital facilities.

### Note 13: Other Current financial assets

(₹in Lakhs)

PARTICULARS	AS AT MARCH 31, 2020	AS AT MARCH 31, 2019
Security deposits and retention money	20,517.46	9,351.75
Receivable under Service Concession Agreement	80,866.30	44,897.80
Loan to subsidaries	0.00	0.00
Advances to employees	33.38	19.64
Interest Receivable on Fixed Deposit Receipt	42.05	8.04
Other Current Receivable	56.74	-
Total	101,515.93	54,277.23

### Note 14: Current tax assets (Net)

(₹in Lakhs)

PARTICULARS	AS AT MARCH 31, 2020	AS AT MARCH 31, 2019
Current tax assets	9,695.51	6,816.73
Current tax liabilities	3,509.41	2,763.31
Current tax assets (Net)	6,186.10	4,053.43

### **Note 15: Other current assets**

(₹in Lakhs)

PARTICULARS	AS AT MARCH 31, 2020	AS AT MARCH 31, 2019
Unbilled Revenue	5,290.84	13,295.10
Prepaid Expenses	1,715.46	1,097.04
Balance with Government Authorities	20,912.99	1,1471.60
Unamortised Processing Fees	231.11	228.15
Advance to Suppliers	4,969.61	1,132.84
Other current assets	334.02	0.53
Unamortized Expenditure for Improvements to Rented Building	-	3.12
Total	33,454.03	27,228.38

### **Note 16: Equity Share Capital**

### a) Authorized, Issued, Subscribed & Paid up Equity Share Capital

PARTICULARS	AS AT MARCH 31, 2020	AS AT MARCH 31, 2019
Authorised:		
7,00,00,000 (P.Y. 7,00,00,000) Equity share capital of Rs.10 Each	7,000.00	7,000.00
Issued, Subscribed & fully Paid up:		
4,56,00,000 equity share capital of Rs.10 Each fully paid up	4,560.00	4,560.00
Total	4,560.00	4,560.00

<sup>\*\*</sup>Above Fixed Deposits made with bank is given to Debenture Trustees as Security Deposit and Lien Marked with bank for Debenture.

### b) Reconciliation of the Equity shares outstanding at the end of the reporting period:

(₹in Lakhs)

PARTICULARS	AS AT MARCH 31, 2020	AS AT MARCH 31, 2019
Equity Shares at the beginning of the year	45,600,000	45,600,000
Add: Bonus Shares issued during the year	-	-
Add: Issued during the year		
Equity Shares at the end of the year	45,600,000	45,600,000

### c) 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.

### d) Shares with voting rights held by each share holder holding more than 5% Equity shares of the Company:-

PARTICULARS	AS AT MARCH 31, 2020	AS AT MARCH 31, 2019
Pravinbhai Patel	14,220,000 31.18%	14,220,000 31.18%
Arvindbhai Patel	14,220,000 31.18%	14,220,000 31.18%
Dineshbhai Vaviya	4,560,000 10.00%	4,560,t000 10.00%
Madhubhai Vaviya	4,560,000 10.00%	4,56,0000 10.00%
Sureshbhai Vaviya	4,560,000 10.00%	4,560,000 10.00%

### e) Aggregate number of shares issued as bonus issue during the period of five years immediately preceding the reporting date.

Company had issued 41,800,000 Equity Shares as fully paid up bonus shares during the FY 2017-18.

### f) Refer Note No. 18.2 for securities issued outstanding which are convertible into Equity Shares.

### **Note 17: Other Equity**

PARTICULARS	AS AT MARCH 31, 2020	AS AT MARCH 31, 2019
Retained earnings - Surplus of Profit and Loss		
Balance at the beginning of the year	44,737.62	36,307.73
Adjustment to the balance at the beginning of the year (Refer Note 33)	-	-
Dividend distribution tax on Interim Dividend	-76.60	-
Profit attributable to owners of the Company	11,595.40	8,429.89
Capitalisation of retained earnings pursuant to issue of bonus shares	-	-
Transfer to Debenture Redemption Reserve	1,400.00	-
Remeasurement of defined benefit obligation no more required	19.06	-
Balance at the end of the year	54,875.48	44,737.62
	·	
Other Comprehensive Income - Remeasurement of Defined Benefit Plans		
Balance at the beginning of the year	-27.13	20.30
Adjustment to the balance at the beginning of the year (Refer Note 33)	-	-
Actuarial Gain / Loss on Defined Benefit Plans	18.20	-47.43
Remeasurement of defined benefit obligation no more required	-19.06	-
Balance at the end of the year	-28.00	-27.13
Debenture Redemption Reserve		
Balance at the beginning of the year	-	-
Add: Transfer during the year	1,400.00	-
Balance at the end of the year	1,400.00	-

PARTICULARS	AS AT MARCH 31, 2020	AS AT MARCH 31, 2019
Capital Reserve on Consolidation		
Balance at the beginning of the year	910.47	910.47
Adjustment to the balance at the beginning of the year	-	-
Balance at the end of the year	910.47	910.47
Equity Component of Compound Financial Instruments (Refer Note 18.2)		
Balance at the beginning of the year	-	-
Add: Transfer during the year	582.44	-
Balance at the end of the year	582.44	-
Total Other Equity	57,740.40	45,620.96

### Note 17(a): Non Controlling Interest

(₹in Lakhs)

PARTICULARS	AS AT MARCH 31, 2020	AS AT MARCH 31, 2019
Attributable to Non Controlling Interests		
Retained earnings - Surplus of Profit and Loss		
Balance at the beginning of the year	1,210.00	1,093.59
Interim Dividend distribution during the year (Incl of DDT)	-157.84	-
During the Year Share	178.13	116.41
Balance at the end of the year	1,230.29	1,210.00

### **Note 18: Long Term Borrowings**

(₹in Lakhs)

PARTICULARS	AS AT MARCH 31, 2020	AS AT MARCH 31, 2019
(A) Senior, Secured, Unlisted 14% Redeemable Non Convertible Debenture - Series IA (Refer Note 18.2)		
Balance at the beginning of the year	-	-
Issued during the year	5,250.00	-
Less: Transaction costs in accordance with Ind AS 109	-68.84	-
Balance at the end of the year	5,181.16	-
(B) Senior, Secured, Unlisted 14.5% Redeemable Non Convertible Debenture -Series IB (Refer Note 18.2) Balance at the beginning of the year	2	-
Balance at the beginning of the year	-	
Issued during the year	5,250.00	-
Less: Transaction costs in accordance with Ind AS 109	-78.54	-
Balance at the end of the year	5,171.46	-
(C) Senior, Secured, Unlisted 8% Optionally Convertible Debenture (Refer Note 18.2)		-
Balance at the beginning of the year	-	-
Issued during the year	2,917.56	-
Balance at the end of the year	2,917.56	-
(D) Secured Term loan from banks	44,044.11	24,973.90
(E) Secured Term Ioan from Financial Institutions	9,426.88	2,696.27
Total Long Term Borrowings	66,741.17	27,670.17

Refer Note 18.1 and Note 18.2 for details relating to the long term borrowings

### CIN: U45201GJ2004PLC043955

### **Note 18.1 Long Term Borrowings**

**NOTES TO CONSOLIDATED** 

**FINANCIAL STATEMENT** 

		NATURE		AMOUNT OUTSTANDING	( ₹ in Lakhs)
SR. NO.	LENDER	OF FACILITY	SANCTION AMOUNT	AS ON 31ST MARCH, 2020	REPAYMENT / MODIFICATION OF TERMS
1	BMW Financial Services Pvt Ltd	Vehicle loan	33.00	7.04	Loan consists of 1 separate loans that will be repaid within period of 7 Months to 7 Months with EMI ranging between Rs. 103258 to Rs. 103258
2	Daimler Financial Services India Pvt Ltd	Vehicle loan	25.30	7.06	Loan consists of 1 separate loans that will be repaid within period of 9 Months to 9 Months with EMI ranging between Rs. 81000 to Rs. 81000
3	HDFC Bank Ltd	Vehicle loan	471.33	336.71	Loan consists of 19 separate loans that will be repaid within period of 6 Months to 37 Months with EMI ranging between Rs. 19265 to Rs. 398414
4	ICICI Bank Ltd	Vehicle loan	77.00	34.27	Loan consists of 1 separate loans that will be repaid within period of 15 Months to 15 Months with EMI ranging between Rs. 243998 to Rs. 243998
5	Kotak Mahindra Bank Ltd.	Vehicle loan	69.39	26.39	Loan consists of 5 separate loans that will be repaid within period of 8 Months to 14 Months with EMI ranging between Rs. 38300 to Rs. 44126
6	Axis Bank Ltd	Vehicle loan	47.42	47.42	Loan consists of 3 separate loans that will be repaid within period of 36 Months to 36 Months with EMI ranging between Rs. 50269 to Rs. 50269
7	HDFC Bank Ltd	Machinery Loan	4,990.53	3,785.48	Loan consists of 1 separate loans that will be repaid within period of 9 Months to 9 Months with EMI ranging between Rs. 81000 to Rs. 81000
8	Kotak Mahindra Bank Ltd.	Machinery Loan	3,153.85	1,218.53	Loan consists of 95 separate loans that will be repaid within period of 7 Months to 17 Months with EMI ranging between Rs. 9010 to Rs. 515050
9	SREI Equipment Finance Limited	Machinery Loan	833.38	284.53	Loan consists of 16 separate loans that will be repaid within period of 2 Months to 18 Months with EMI ranging between Rs. 18900 to Rs. 461600
10	TATA Capital Financial Services Ltd	Machinery Loan	982.68	706.49	Loan consists of 55 separate loans that will be repaid within period of 13 Months to 25 Months with EMI ranging between Rs. 47390 to Rs. 61595
11	Tata Motors Finance Ltd	Machinery Loan	415.61	151.87	Loan consists of 21 separate loans that will be repaid within period of 6 Months to 15 Months with EMI ranging between Rs. 29880 to Rs. 68298
12	Yes Bank	Machinery Loan	2,942.87	1045.46	Loan consists of 51 separate loans that will be repaid within period of 11 Months to 17 Months with EMI ranging between Rs. 20874 to Rs. 1690460
13	Axis Bank Ltd	Machinery Loan	2,925.67	1365.39	Loan consists of 55 separate loans that will be repaid within period of 13 Months to 25 Months with EMI ranging between Rs. 47390 to Rs. 61595
14	Daimler Financial Services India Pvt Ltd	Machinery Loan	219.67	42.49	Loan consists of 55 separate loans that will be repaid within period of 13 Months to 25 Months with EMI ranging between Rs. 47390 to Rs. 61595
15	DCB Bank	Machinery Loan	238.61	170.92	Loan consists of 4 separate loans that will be repaid within period of 32 Months to 35 Months with EMI ranging between Rs. 40493 to Rs. 254191
16	HDB Financial Services Ltd	Machinery Loan	1,026.31	272.32	Loan consists of 59 separate loans that will be repaid within period of 3 Months to 18 Months with EMI ranging between Rs. 31228 to Rs. 416168
17	Indusind Bank Limited	Machinery Loan	29.79	24.01	Loan consists of 3 separate loans that will be repaid within period of 27 Months to 27 Months with EMI ranging between Rs. 33300 to Rs. 33537

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### NOTES TO CONSOLIDATED FINANCIAL STATEMENT

### **Note 18.1 Long Term Borrowings**

SR. NO.	LENDER	NATURE OF FACILITY	SANCTION AMOUNT	AMOUNT OUTSTANDING AS ON 31ST MARCH, 2020
18	The Co-Op Bank of Rajkot Ltd	Rupee Term Loan	4,400.00	310.91
19	RBL Bank Limited (RBL)*	Term Loan	35,435.00	10,510.32
20	India Infrastructure Finance Company Limited (IIFCL) **	Term Loan	11,000.00	5,181.27
21	TATA Cleantech Capital Limited (TCCL)***	Term Loan	7,500.00	3,532.68

To repay the disbursed facility to each of the lenders from the end of 7th Months from the COD in 27 structured bi-annual structured installments.

36 Months from the date of first disbursement (7 quarterly

**REPAYMENT / MODIFICATION OF TERMS** 

Installments starting from 3rd July, 2020)

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

1.First charge, by way of mortgage, in a form and manner satisfactory to the Lendors, 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);

 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. Á 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):

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 Promotors 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 Promotors.

22 Punjab National Term 64,589.00 5,636.30 Bank Loan

"Tenor of 16.05 years including 2 years of construction and 7 months of moratorium post COD.

The obligations of the Borrower under the Facility and all interest and other amount in respect thereof shall be secured on a pari-passu basis, amongst the lenders participating in the Facility, by a first ranking security interest (as permitted by Concession Agreement) over the following:

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### **NOTES TO CONSOLIDATED FINANCIAL STATEMENT**

**Note 18.1 Long Term Borrowings** 

SR. NO.	LENDER	NATURE OF FACILITY	SANCTION AMOUNT	AMOUNT OUTSTANDING AS ON 31ST MARCH, 2020	RATE OF INTEREST (P.A)	REPAYMENT / MODIFICATION OF TERMS
					future, except 2. All project of clearances and assets of the F 3. All contract credit that may 4. All insurance 5. Borrower's accounts of Borrower's int Agreement ald 6. Subject to pledge of 519 Sponsor. Provi shall be subje Pledge shall re 7. Security as Security Trust 8. The entire s Substitution A prior to disk Substitution A days of initial 6 9. Any disbu	Is movable and immovable assets both present and project assets; documents and all rights, titles, permits, approvals dinterests of the Borrower in, to and in respect of all Projects; or guarantees, performance bonds and any letter or y be provided by any party in favour of the Borrower e policies taken by the Borrower; Escrow Account in relation to the Projects and other the Borrower, including without limitation the rerests in the accounts opened as per the Escrowang with the amount lying therein; and Section 19 (2), (3) of Banking Regulation Act 1949 of paid up equity of the Borrower held by the ided that any enforcement of the pledge over shares ct to the provisions of the Concession Agreement aduce to 30% post COD with the approval of lenders stipulated above shall be created in favour of the eer for the benefit of the Lenders; ecurity creation (other than execution of Escrow and greement) shall be created and perfected upfrom oursement and the execution of Escrow and greement shall be created and perfected within 30 disbursement of Facility; ursements pending perfection of security shall be scretion of the Lenders."
23	Punjab National Bank (PNB)	Term Loan	45,128.0	00 11,754.63	-730 days (ap	enor of 16 years 7 Months in the following manner:- prox. 2 years ) of construction period; and epayment in 28 structured semi-annual instalments
24	India Infrastructure Finance Company Limited (IIFCL)	Term	25,000.	-	as per repaym - Moratorium F The obligation and other an pari-passu ba Facility, by a Concession A(1. All Borrowe future, except 2. All project clearances and assets of the F 3. All contracted that may 4. All insuran 5. Borrower's accounts of Borrower's int Agreement alc 6. Subject to pledge of 51% Sponsor. Provi shall be subject to pledge of 51% Sponsor. Provi shall be subject to pledge of 51% Sponsor. Provi shall be subject to pledge of 51% Sponsor. Provi shall be subject to pledge shall re 7. Security 1 Trust 8. The entire and Substitut upfront prior 1 Substitution Adays of initial 69. Any disb	lent schedule Period of 7 Months. Is of the Borrower under the Facility and all interest Inount in respect thereof shall be secured on a Isis, amongst the lenders participating in the Infirst ranking security interest (as permitted by Ingreement) over the following: It is movable and immovable assets both present and Ingred assets; Indoorwest and all rights, titles, permits, approvals Indicate the control of the control of all of the control of all of the control of
25	Punjab National Bank (PNB)	Term Loan	15,900.0	0 12,511.55	R&BD. GoG and ensuring 6 modern of in the form of facility. 'Collateral Secondary immodels, immo	ity: Assignment of Annuity payments to be made by d shall be backed by DSRA requirement i.e. DSRA of onths interest and 1 Principal Repayment installment f bank guarantee during the entire tenure of the curity: Loan is secured by exclusive charge on by able asset & book debts and personal guarantee of that Patel and Arvind Vithalbhai Patel.
	Total			58,964.04		

- \* Term Loan facility of Rupee Term Loan of Rs 354.35 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 the sub-limits.

All the above secured loans are secured by exclusive charge on respective vehicle and/or Construction Equipment. Also the Personal Guarantee of promoter directors, namely, Pravin V. Patel and Arvind V. Patel given.

These Long Term Borrowings carries an interest rate of 5.91% to 11.00% p.a.

Due to pandemic Covid-19, the company has considered outstanding balance of Long term Borrowings as per the repayment schedules.

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### NOTES TO CONSOLIDATED FINANCIAL STATEMENT

### **Note 18.2 Long Term Borrowings**

(₹in Lakhs)

0.0			AS AT MARCH 31, 2020			
SR. NO.	PARTICULARS	TOTAL	NON-CURRENT	CURRENT		
a)	Senior, Secured, Unlisted 14% Redeemable Non Convertible Debenture - Series IA	5,181.16	5,181.16	-		
b)	Senior, Secured, Unlisted 14.5% Redeemable Non Convertible Debenture-Series IB	5,171.46	5,171.46	-		
c)	Senior, Secured, Unlisted 8% Optionally Convertible Debenture	2,917.56	2,917.56	-		

### Security:

- (i) a first ranking pledge over the shares of the Issuer (Patel Infrastructure Limited (PIL)) (together with all rights and privileges exercisable in connection with such shares) representing 26% of the equity share capital of the Issuer in terms of PIL pledge agreement.
- (ii) a first ranking pledge over the shares of Patel Highway Management Private Limited representing 100% of the equity share capital of PHMPL in terms of the PMHPL Pledge Agreement;
- (iii) a first ranking pledge over the shares of Patel Cholopuram-Thanjavur Highway Private Limited (SPV 1) representing 49% of equity share capital of SPV 1 in terms of the SPV 1 Pledge Agreement
- (iv) a first ranking pledge over the shares of Patel Sethiyahopu-Cholopuram Highway Private Limited (SPV 2) representing 49% of equity share capital of SPV 2 in terms of the SPV 2 Pledge Agreement
- (v) a first ranking charge on the Immovable Open Industrial land admeasuring about 47644-00 Sq. Mtr & Common Plot & Parking area land admeasuring 5780.31 Sq. Mts., having non-agriculture & residential building construction permission consisting of New Revenue Survey (Block No. 271, 295, 302, 362, 299, 268, 309, 270, 308, 300, 298, 269, 274, 266, 267, 304, 272 & 273 Old Revenue Survey/Block No. 823, 829, 798, 802, 825, 812, 820, 811, 821, 819, 822, 817, 818, 800 & 824) within the village limits of Kunjad, Taluka-Daskroi & District Ahmedabad
- (vi) a first ranking exclusive charge by way of hypothecation over the Surplus Cashflows, DSRA and the Patel Infrastructure Limited Escrow Account (to the extent of such cash flows getting deposited in the Patel Infrastructure Limited Escrow Account)
- (vii) a first ranking exclusive charge on the PHMPL Escrow Account and any sub-accounts (or any account in substitution thereof) that may be opened by PHMPL in accordance with this Deed and the Escrow Account Agreement;
- (viii) a second ranking charge by way of hypothecation over the EPC Receivables and Patel Infrastructure Limited Escrow Account (to the extent of such cash flows getting deposited in the Patel Infrastructure Limited Escrow Account)
- (ix) any other security that may be acceptable to the Common Security Trustee (acting on the instructions of the Debenture Trustee and OCD Trustee) in accordance with the terms of the Debenture Documents.
- (x) guarantee of the Promoters in favour of the Debenture Trustee and OCD trustee in terms of the Personal Guarantee;
- (xi) guarantee of the Corporate Guarantor in favour of the Debenture Trustee and OCD trustee in terms of the Corporate Guarantee;
- (xii) demand promissory note and letter of continuity, to be issued by the Issuer.
- (xiii) PDCs of the issuer

### **Repayment Terms:**

### A Redemption of Series IA and Series IB

The Series IA Debentures (if outstanding) shall be mandatorily redeemed in full by the Issuer in 4 (four) equal quarterly instalments (each "Series IA Redemption Instalment") as set out in table under Schedule IV commencing at the end of the relevant Principal Moratorium which shall be payable on the respective Interest Payment Date. Provided, if the Issuer exercises the option to reduce the Principal Moratorium to 12 (twelve) months from 18 (eighteen) months, the Series IA Debentures shall be redeemed in 6 (six) quarterly instalments, which shall be payable on the respective Interest Payment Date("Series IA Redemption Dates"). The Series IB Debentures (if outstanding) shall be mandatorily redeemed in full by the Issuer in 4 (four) equal quarterly instalments ("Series IB Redemption Instalment") commencing at the end of the Principal Moratorium applicable to the Series IB Debentures as set out in table under Schedule IV, which shall be payable on the respective Interest Payment Date ("Series IB Redemption Dates"). The Series IA Redemption Instalment and Series IB Redemption Instalment shall collectively be referred to as a "Redemption Instalments" and Series IA Redemption Date and Series IB Redemption Date shall collectively be referred to as a "Redemption Dates".

It is hereby further clarified that a Mandatory Redemption, Voluntary Redemption, and payment of any amounts therein resulting out of partial redemption of the Debentures, would render a reduction in the forthcoming Redemption Instalments and the Redemption Schedule as provided in Schedule IV of Section A shall be revised accordingly by the Debenture Trustee and the Issuer shall be informed of such revision in the Redemption Schedule. Such revised redemption schedule shall replace the existing Redemption Schedule.

Each payment of a Redemption Instalment shall result in the proportional reduction in the face value of the Debentures or extinguishment of the relevant Debentures at the discretion of the Debenture Trustee acting on Approved Instructions.

### A.1 Redemption Schedule of Series IA and Series IB:

### a) SERIES IA DEBENTURES

### a.1 OPTION A-PRINCIPAL MORATORIUM OF 18 MONTHS

SERIAL NO	SERIES IA REDEMPTION DATE(S)	REDEMPTION AMOUNT (% OF DEBENTURE AMOUNT)
1	Q7	25.00
2	Q8	25.00
3	Q9	25.00
4	Q10	25.00

### a.2 OPTION B- PRINCIPAL MORATORIUM OF 12 MONTHS

SERIAL NO	SERIES IA REDEMPTION DATE(S)	REDEMPTION AMOUNT (% OF DEBENTURE AMOUNT)	
1	Q5	16.67	
2	Q6	16.67	
3	Q7	16.67	
4	Q8	16.67	
5	Q9	16.67	
6	Q10	16.67	

### b) SERIES IB DEBENTURES

SERIAL NO	SERIES IA REDEMPTION DATE(S)	REDEMPTION AMOUNT (% OF DEBENTURE AMOUNT)
1	Q11	25.00
2	Q12	25.00
3	Q13	25.00
4	Q14	25.00

### **B** Redemption of OCD

The OCDs (if outstanding) shall be mandatorily redeemed in full by the Issuer in 2 (two) equal quarterly instalments (each "Redemption Instalment") as set out in table under Schedule IV commencing at the end of the Principal Moratorium which shall be payable on the respective Interest Payment Date.

It is hereby further clarified that a Mandatory Redemption, Voluntary Redemption, and payment of any amounts therein resulting out of partial redemption of the OCDs, would render a reduction in the forthcoming Redemption Instalments and the Redemption Schedule as provided in Schedule IV of Section A shall be revised accordingly by the OCD Trustee and the Issuer shall be informed of such revision in the Redemption Schedule. Such revised redemption schedule shall replace the existing Redemption Schedule.

Each payment of a Redemption Instalment shall result in the proportional reduction in the face value of the OCDs or extinguishment of the relevant OCDs at the discretion of the OCD Trustee acting on Approved Instructions.

### **B.1 Redemption Schedule of OCD**

SERIAL NO	SERIES IA REDEMPTION DATE(S)	REDEMPTION AMOUNT (% OF DEBENTURE AMOUNT)
1	Q15	50.00
2	Q16	50.00

C Detailed terms and conditions are mentioned in executed Agreements and Deeds.

### Note 19: Other Non current financial liabilities

(₹in Lakhs)

PARTICULARS	AS AT MARCH 31, 2020	AS AT MARCH 31, 2019
Security deposits and retention money	1,785.33	2,337.70
Interest accrued but not due	3,102.05	541.50
Total	4,887.38	2,879.20

### **Note 20: Long term provisions**

(₹in Lakhs)

PARTICULARS	AS AT MARCH 31, 2020	AS AT MARCH 31, 2019
Provision for Gratuity (Refer Note 36)	541.97	477.27
Provision for Compensated Absences (Refer Note 36)	140.07	124.83
Total	682.04	602.10

### Note 21: Other Non current liabilities

(₹in Lakhs)

PARTICULARS	AS AT MARCH 31, 2020	AS AT MARCH 31, 2019
Advances from customers	21,159.79	10,664.15
Total	21,159.79	10,664.15

### **Note 22: Short Term Borrowings**

(₹in Lakhs)

PARTICULARS	AS AT MARCH 31, 2020	AS AT MARCH 31, 2019
Secured borrowings from banks	10,320.82	15,173.80
Unsecured borrowings from banks	2,766.89	7,435.75
Loans and Advances from related party	78.19	726.90
Total	13,165.90	23,336.45

Refer Note 22.1 for details relating to the short term borrowings.

## Note 22.1 Short Term Borrowings

NATURE OF SECURITY	Primary Security: Secured by Hypothecation of receivables, stock of materials and other current assets on basis with other member banks in the consortium.  Collateral security: First paripassu charge by equitable mortgage on the immovable properties described below:	1) Open Residential land admeasuring 999.77 sqmt situated at Plot no A-41, Parth township, R.S No 966/1/P, 967, 972,P & 973, Bakrol, Anand held in the name of Shri Arvindbhai Vithalbhai Patel (HUF) 2) Residential flats-commercial building admeasuring 316.20 somt city survey No. 160/P Revenue S. No. 454. Plot	School (Area 158:10 sqmt), flat No. 152, or on first flow of the 158:10 sqmt), flat No. 152, or on first flow of the 158:10 sqmt), flat No. 152, or on first flow of the 158:10 sqmt), flat No. 152, or on first flow of the 158:10 sqmt situated at City ward No. 15 Dreamland Apartment, Kalavad, Road, Near Hotel K.K.at Rajkot held in the name of Patel Infrastructure Limited.  3) Commercial Office building 'PATCON House' admeasuring 299:50 situated at R.S. No. 534/2 TPS No. 7, FP No. 39, Sub Plot No. 2 Palki land towards south side Behind J.K. Anand Hall, Anand held in the name of Patel Infrastructure	private Limited.  4) Non agriculture Land admeasuring 30316 sqmt situated at R.s. No. 713/1/8, 716, Samarkha District, Anand having area of 30316 sqmt and various construction thereon held in the name of Arvindbhai Vithalbhai Patel.	5) Plot at ahmedabad admeasuring 1198.70 sqmt having TP No 50, plot no. 32 Bodakdev Village, Memnagar, Ahmedabad held in the name of Patel Infrastructure Private Limited. 6) Non agriculture land admeasuring 34451.00 sqmt i.e 16536 sqmt in RS No. 974/63/Palki 1 and 17915 sqmt in RS No. 974/64/Palki 1 in the sim village Timba, Tal Godhra, Jilla Panchmahal held in the name of Patel Infrastructure	Private Limited.  7) Plot No. 82 FP No, 236 TPS No. 3 Flat No. 1 Ground floor, Anubhuti apartment, Swastik Co Op Housingt Society Ltd B/H sent Xavior Ladies Hostel Nr. City Center At Navarangpura Ahmedabad admeasuring 255.00 sqmt held in the name of Patel Infrastructure private Limited.  8) Commercial Building admeasuring 319 sqmt Known as "Patcon House" situated at Rs. no 517 Pall, Residential Patential Andrews Commercial Building admeasuring 319 sqmt Known as "Patcon House" situated at Rs. no 517 Pall, Residential	Plot 22, 23, 24, & 25 Shanti Kunj Residency, Near Ashtha Hospital, Bhabhar Road, Radhanpur District, Patan, Gujarat held in the name of Patel Infrastructure Limited.  9) Industrial Land and building admeasuring 28518.00 sq. mtrs situated at	RS.NO.851/4,858/P/1,852,853/P,851/6/P,851/5, 851/3< National Highway No.8, At-Adas, Taluka & Dist - Anand, Gujarat held in the name of Patel Infrastructure Private Limited.  10) RS No. 4, Plot No.3, Shreenathij Park 1, Behind Ramdhan, 150 ft. ring Road, Rajkot. admeasuring 170.72 sq mts held in the name of Patel Infrastructure Limited.	<ol> <li>Plat No 201, "Gokul", Mavdi, Rajkot (RS/206, Plot No 18/2) admeasuring 124.70Sq. Mtrs held in the name of Patel Infrastructure private Limited.</li> <li>Plot No 2, 5 to 12, admeasuring 1417.52 Sq. Mtrs at 4/p, Mavdi held in the name of Patel Infrastructure Limited. Documal Colorantes of Directors.</li> </ol>	Prayin Vitalbhai Patel Arvind Vitalbhai Patel Dineshbhai Pragilibhai Vaviya Madhubhai Vavya Pragilibhai Sureshbhai Pragilibhai Vaviya	Personal Guarantee of Others : Pravinbhai V Patel (HUE) Arvindbhai V Patel (HUF)"	Unsecured	Unsecured
MODE OF REPAYMENT	Repayable within 12 months subject to annual renewal	Rollover of facility on every 180 days	Repayable within 12 months subject to annual renewal	Repayable within 12 months subject to annual renewal	Rollover of facility on every 180 days	Repayable on demand subject to annual renewal		Repayable on demand subject to annual renewal	1 Year Validity of sanction / Rollover of facility on every 180 days	Repayable on demand subject to annual renewal	90 Days Validity	1 Year Validity of sanction / Rollover of facility on every 90 days	1 Year Validity of sanction
AMOUNT OUTSTANDING AS ON 31.03.2020	1451.29	2744.02	49.61	520.41	1320.40	2420.13		21.37	1611.75	ı	181.84	1008.89	1216.32
SANCTION	4,500.00	4,500.00	800.00	2,200.00	2,200.00	4944 (Sub limit of Bank Guarante e plus	(Individua I limit)	2,650.00	2,650.00	1,500.00	1,000.00	2,500.00	1,216.32
NATURE OF FACILITY	Fund based Limit	Fund based Limit	Fund based Limit	Fund based Limit	Fund based Limit	Packing Credit		Fund based Limit	Fund based Limit	Fund based Limit	Fund based Limit	Fund based Limit	Fund based Limit
PARTICULARS OF LENDERS	Oriental Bank of Commerce	Oriental Bank of Commerce	Bank of Baroda	Punjab National Bank	Punjab National Bank	Standard Chartered Bank (Packing Credit)		State Bank of India	State Bank of India	RBL Bank	RBL Bank	HDFC Bank Ltd	The Co-Op Bank of Rajkot Ltd
SB.	<del>-</del>	2	ო	4	ഗ	Ø		^	∞	თ	10	7	12

### PATEL INFRASTRUCTURE LIMITED CIN: U45201GJ2004PLC043955

## NOTES TO CONSOLIDATED FINANCIAL STATEMENT

## **Note 22.1 Short Term Borrowings**

NATURE OF SECURITY	Unsecured	Unsecured	Unsecured
MODE OF REPAYMENT	1 Year Validity of sanction / Rollover of facility on every 180 days	Repayable on demand subject to annual renewal	1 Year Validity of sanction
SANCTION AMOUNT OUTSTANDING LIMIT AS ON 31.03.2020	393.16	78.19	148.52
SANCTION A	ı	I	ı
NATURE OF FACILITY	Bill Discounting M1 Exchange	Working Capital	Working Capital
PARTICULARS OF LENDERS	Mynd Solutions	Loans and Advances from related party	The Co Op Bank of Rajkot
SR. NO.	13	41	15

These Facilities (secured and unsecured) carries an interest rate of 10% to 11.50% p.a. Detailed terms and conditions are mentioned in sanction letters.

### Note 23: Trade payables

(₹in Lakhs)

PARTICULARS	AS AT MARCH 31, 2020	AS AT MARCH 31, 2019
(A) To Micro, Small and Medium Enterprises (Refer Note 23.2)	-	-
(B) Operational buyers Credit and Suppliers' Credit (Letter of Credit) (Refer Note 23.3)	6,465.42	-
(C) Others	29,072.70	29,226.73
Total	35,538.12	29,226.73

Note 23.1: Trade Payable are payable on account of goods purchased and services availed in the normal course of business.

Note 23.2: 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.

PARTICULARS	AS AT MARCH 31, 2020	AS AT MARCH 31, 2019
Principal remaining unpaid to any supplier as the year end	-	-
Interest due thereon	-	-
Amount of interest paid by company in terms of section 16 of the MSMED, along with the amount of the payment made to the supplier beyond the appointed day during the accounting year.	-	-
Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding the interest specified under the MSMED	-	-
Amount of interest accrued and remaining unpaid at the end of the accounting year / period.	-	-
Amount of further interest remaining due and payable even in succeeding years.	-	-

Note 23.3: Operational Buyers' Credit and Suppliers' Credit (Letter of Credit) is availed from various banks. These trade credits are largely repayable upto 90 days from the date of draw down. Part of these facilities are secured by first pari passu charge over the present and future current assets of the Company.

### Note 24: Other current financial liabilities

(₹in Lakhs)

PARTICULARS	AS AT MARCH 31, 2020	AS AT MARCH 31, 2019
Current maturities of long term borrowings (Secured) (Refer Note 18.1)		
- From Banks	4,734.18	5,105.16
- From Financial Institutions	758.87	2,859.16
Employee related dues	1,571.93	1,260.36
Creditors for capital expenditure	282.20	480.73
Security deposits and retention money	12,451.52	4,199.03
Other Current Liabilities	-	1.38
Interest Accrued but not due	307.23	89.94
Interest payable on Working Capital Advances	75.97	-
Total	20,181.90	13,995.76

### **Note 25: Short term provisions**

PARTICULARS	AS AT MARCH 31, 2020	AS AT MARCH 31, 2019
Provision for Gratuity (Refer Note 36)	172.10	132.71
Provision for Compensated Absences (Refer Note 36)	49.18	45.98
Total	221.28	178.69

### Note 26: Other current liabilities

(₹in Lakhs)

PARTICULARS	AS AT MARCH 31, 2020	AS AT MARCH 31, 2019
Advances from customers	22,782.46	6,077.69
Payable for Capital Expenditure	1.55	1.55
Statutory Dues payable	2,763.79	1,874.30
Office Rent Deposit	0.12	-
Total	25,547.92	7,953.53

### **Note 27: Revenue from Operations**

(₹in Lakhs)

PARTICULARS	FOR THE YEAR ENDED MARCH 31, 2020	FOR THE YEAR ENDED MARCH 31, 2019
Sale of Services		
Contract Revenue	186,115.99	117,956.66
Toll Collection Income	4,256.05	23,929.01
Operations and maintenance income	601.98	957.22
Revenue from Utility Shifting work	1,899.37	1,736.26
Other Operating Revenue		
Material sales	1,4107.28	2,614.37
Sale of Scrap	126.31	138.83
Finance Income on financial assets carried at amortised cost	2,793.82	3,233.17
Total	209,900.80	150,565.52

### **Note 28: Other Income**

(₹in Lakhs)

PARTICULARS	FOR THE YEAR ENDED MARCH 31, 2020	FOR THE YEAR ENDED MARCH 31, 2019
(A) Income on Financial Assets carried at Amortised Cost		
Interest on Deposits with Banks	1,013.45	745.11
Dividend Income	-	0.11
Fair valuation of Security and Other Deposits	368.90	424.31
(B) Other Non-operating Income		
Income from Equipment Hiring	94.40	6.60
Other Interest	83.11	32.79
Miscellaneous Income	592.31	275.64
Balance W/off	5.34	-
Insurance claim received	49.74	156.18
Excess provision for compensated absences written back	-	88.89
Gratuity provision written back	9.79	-
Rent Income	0.12	-
Profit on sale of Investment in Mutual Fund	-	41.76
Total	2,217.17	1,771.40

### **Note 29: Changes in inventories of work-in-progress**

PARTICULARS	FOR THE YEAR ENDED MARCH 31, 2020	FOR THE YEAR ENDED MARCH 31, 2019
Construction work in progress	-	6,232.23
Transfer:		
Receivable under Service Concession Agreement with NHAI	-	-6,232.23
Total	-	-

### **Note 29(a): Construction Expenses**

(₹in Lakhs)

PARTICULARS	FOR THE YEAR ENDED MARCH 31, 2020	FOR THE YEAR ENDED MARCH 31, 2019
Consumption of Construction Material	6,0119.99	32,745.18
Inventory at the beginning of the year	8,188.61	6,628.44
Add: Purchases during the year	63,557.64	34,305.34
Less: Inventory at the end of the year	11,626.26	8,188.61
Material Consumed during the year	60,119.99	32745.18
Other Construction Expenses		
Works and Labour Contracts	77568.51	44048.34
Concession Fees	1933.38	13847.63
Rate & Taxes	1854.61	1141.22
Power and Fuel	8657.99	8628.29
Technical Consultancy Charges	520.71	319.45
Consumption Spares, Tools & Consumables	4962.70	1958.77
Testing Charges	43.25	76.62
Operation and maintenance expenses	86.22	22.78
Running & Maintenance of Plant and Machinery	445.28	1226.40
Machinery Hiring Charges	1442.04	516.52
Other Construction Expenses	189.08	457.71
Incident Management Expenses	0.03	0.22
Total	157,823.79	104,989.13

### **Note 30 : Employee Benefits Expenses**

(₹in Lakhs)

PARTICULARS	FOR THE YEAR ENDED MARCH 31, 2020	FOR THE YEAR ENDED MARCH 31, 2019
Salaries, Wages and Incentives	9,332.12	8,887.20
Directors' Remuneration	902.40	902.40
Contributions to Provident and other fund	166.17	117.29
Gratuity expense	171.32	146.53
Compensated Absences	36.05	-
Staff Welfare Expenses	997.09	825.85
Total	11,605.15	10,879.27

Note 30.1 Refer Note 34 for Related party transactions.

### **Note 31: Finance Costs**

PARTICULARS	FOR THE YEAR ENDED MARCH 31, 2020	FOR THE YEAR ENDED MARCH 31, 2019
Interest on Working Capital Facilities	2,383.29	2,278.93
Interest on long term borrowings	4,731.74	2,706.52
Interest on Loans from Related Parties	192.05	83.08
Other Interest	3,469.08	541.50
Other Borrowing Costs	3,619.51	1,968.22
Amortisation cost on leased assets (Refer Note 5(b))	85.57	-
Fair valuation of Security and Other Deposits	142.18	367.97
Interest on Current tax	1.47	-
Total	14,624.89	7,946.22

PARTICULARS	FOR THE YEAR ENDED MARCH 31, 2020	FOR THE YEAR ENDED MARCH 31, 2019
Advertisement Expenses	64.37	5.32
Donation Expenses	341.37	10.23
Corporate Social Responsibility Expenses	124.01	87.95
Electricity Expenses	567.37	410.25
Expected Credit Loss	194.67	211.58
Security Service Charges	558.90	578.05
Loss on sale of Mutual Fund	-	12.38
Net loss on account of foreign exchange fluctuation	-	11.07
Loss arising on Investment measured at FVTPL	4.13	3.52
Payment to Auditors (Refer Note 42)	47.60	61.01
Loss from sale of items of Property,plant and equipments (net)	6.27	151.63
Rent	273.18	297.28
Rates and Taxes	766.42	1750.22
Insurance	680.03	502.73
Repair & Maintenance expense		
- For Buildings	7.36	46.83
- For Others	57.17	176.35
Communication Expenses	24.90	86.42
Interest on Statutory Dues	0.04	0.05
Travelling and Conveyance	531.98	629.65
Legal and Professional Charges	856.84	835.11
Independent Engineer Fees	543.23	235.98
Stationery & Printing Expenses	6.48	68.31
Sundry debtors written off	86.83	188.11
Sitting Fees to Independent Directors	5.85	6.35
Software Maintenance Expense	134.44	40.01
Tender fees	5.16	19.16
Miscellaneous Expenses	15.39	162.69
Total	5,903.99	6,588.24

Note 32.1 Refer Note 34 for Related party transactions.

### Note 33: Disclosure in terms of Ind AS 115

- Revenue from Contracts with Customers

a) Reconciliation of the amount for revenue recognised in the Standalone Statement of Profit and Loss with the contracted price: (₹ in Lakhs)

		( CITI Editilo)
PARTICULARS	FOR THE YEAR ENDED MARCH 31, 2020	FOR THE YEAR ENDED MARCH 31, 2019
Revenue as per contracted price	1,78,874.63	1,34,315.41
Adjustments		
Price Escalation	9,731.78	3,032.51
Change of Scope	2,367.61	5,494.96
Revenue from Utility Shifting work	1,899.37	1,736.26
Revenue from contract with customers	1,92,873.39	1,44,579.15

### (b) Contract Balances:

(₹in Lakhs)

PARTICULARS	FOR THE YEAR ENDED MARCH 31, 2020	FOR THE YEAR ENDED MARCH 31, 2019
Receivables:	W/ INC 1101, 2020	W. W. ST. St., 2010
- Current (Gross)	7,218.67	8,978.05
	· ·	· ·
Contract Assets (Unbilled revenue- Current):		
Balance at the beginning of the year	13,295.10	15,176.99
Revenue recognised during the year	192,873.39	117,956.66
Less: Invoice raised during the year	200,877.65	119,838.55
Balance at the end of the year	5,290.84	13,295.10
Financial Assets		
Opening Balance	57,761.54	14,897.98
Recognised during the year	164,615.62	67,975.44
Receipt during the year	113,093.14	25,111.88
Closing Balance	109,284.02	57,761.54
Contract Liabilities:		
Advance from Customer		
- Non Current	21,159.79	10,664.14
- Current	22,782.46	6,077.69

(c) Revenue recognised during the year from the performance obligation satisfied upto previous year (arising out of contract modification) amounts to Rs. 188,431.03 Lakhs.

### (d) Reconciliation of contracted price with revenue during the year:

PARTICULARS	FOR THE YEAR ENDED MARCH 31, 2020	FOR THE YEAR ENDED MARCH 31, 2019
Opening contracted price of orders	10,13,703.51	8,72,575.03
Add:		
Fresh orders/change orders/ Price Escalation received (net)	15,083.08	1,41,128.48
Less:		
Orders completed during the year	-	-
Closing contracted price of orders	10,28,786.59	1,013,703.51
Total revenue recognised during the year	192,873.39	144,579.15
Revenue recognised upto previous year (from orders pending completion at the end of the year)	2,37,396.76	95,394.17
Balance revenue to be recognised in future	5,98,516.44	7,73,730.19

### PATEL INFRASTRUCTURE LIMITED

CIN: U45201GJ2004PLC043955

### NOTES TO CONSOLIDATED FINANCIAL STATEMENT

### **Note 34: Related Party Transactions**

Related parties Transactions with related parties for the year ended March 31, 2020 and March 31, 2019 and Outstanding Balances as at March 31, 2020 and March 31, 2019:

	FOR THE	YEAR ENDED
PARTICULARS	31/3/20	31/3/19
Key Management Personnel (KMP)	Pravinbhai Patel (Chairman & Director)	Pravinbhai Patel (Chairman & Director)
	Arvindbhai Patel (Managing Director)	Arvindbhai Patel (Managing Director)
	Dineshbhai Vaviya (Director)	Dineshbhai Vaviya (Director)
	Madhubhai Vaviya (Director)	Madhubhai Vaviya (Director)
	Sureshbhai Vaviya (Director)	Sureshbhai Vaviya (Director)
	Sandeep Sahni (Chief Financial Officer) Ceased from services 25.09.2020	Sandeep Sahni (Chief Financial Officer)
	Aswini Kumar Sahu (Company Secretary)	Aswini Kumar Sahu (Company Secretary)
	Prahalad Ray Mundra (Chief Financial Officer) Appointed w.e.f. 07.12.2	-
Pelatives of KMP	Kaminiben Arvindbhai Patel - Wife of Arvindbhai Patel	Kaminiben Arvindbhai Patel - Wife of Arvindbhai Patel
	Smitaben Pravinbhai Patel - Wife of Pravinbhai Patel	Smitaben Pravinbhai Patel - Wife of Pravinbhai Patel
	Pravinbhai V Patel (HUF)	Pravinbhai V Patel (HUF)
	Arvindbhai V Patel (HUF)	Arvindbhai V Patel (HUF)
	Rekhaben Sureshbhai Vaviya - Wife of Sureshbhai Vaviya	Rekhaben Sureshbhai Vaviya - Wife of Sureshbhai Vaviya
	Sureshbhai P Vaviya (HUF)	Sureshbhai P Vaviya (HUF)
	Jay Pravinbhai Patel - Son of Pravinbhai Patel	Jay Pravinbhai Patel - Son of Pravinbhai Patel
	Radhika Nimitkumar Sanghani - Daughter of Pravinbhai Patel	Radhika Nimitkumar Sanghani - Daughter of Pravinbhai Patel
	Manjulaben G Badhani - Sister of Pravinbhai Patel and Arvindbhai Patel	Manjulaben G Badhani - Sister of Pravinbhai Patel and Arvindbhai Patel
	Bhavnaben D Patel - Sister of Pravinbhai Patel and Arvindbhai Patel	Bhavnaben D Patel - Sister of Pravinbhai Patel and Arvindbhai Patel
	Krunal Arvindbhai Patel - Son of Arvindbhai Patel	Krunal Arvindbhai Patel - Son of Arvindbhai Patel
	Parth Arvindbhai Patel - Son of Arvindbhai Patel	Parth Arvindbhai Patel - Son of Arvindbhai Patel
elatives of KMP	Krishna Dineshbhai Vaviya - Son of Dineshbhai Vaviya	Krishna Dineshbhai Vaviya - Son of Dineshbhai Vaviya
	Nikita Bhargav Bhavsar - Daughter of Dineshbhai Vaviya	Nikita Bhargav Bhavsar - Daughter of Dineshbhai Vaviya
	Janvi Dineshbhai Vaviya - Daughter of Dineshbhai Vaviya	Janvi Dineshbhai Vaviya - Daughter of Dineshbhai Vaviya
	Kasturben Zalavadiya - Sister of Dineshbhai Vaviya, Madhubhai Vaviya and Sureshbhai Vaviya	Kasturben Zalavadiya - Sister of Dineshbhai Vaviya, Madhubhai Vaviya and Sureshbhai Vaviya
	Vilasben Dhorajiya - Sister of Dineshbhai Vaviya, Madhubhai Vaviya and Sureshbhai Vaviya	Vilasben Dhorajiya - Sister of Dineshbhai Vaviya, Madhubhai Vaviya and Sureshbhai Vaviya
	Ramaben Dineshbhai Vaviya - Wife of Dineshbhai Vaviya	Ramaben Dineshbhai Vaviya - Wife of Dineshbhai Vaviya

		FOR THE YEAR ENDED	
ARTICULARS		31/3/20	31/3/19
elatives of KMP	Rut	tv Madhubhai Vaviya - Son of Madhubhai Vaviya	Rutv Madhubhai Vaviya - Son of Madhubhai Vaviya
	S	hweta Madhubhai Vaviya - Daughter of Madhubhai Vaviya	Shweta Madhubhai Vaviya - Daughter of Madhubhai Vaviya
		Aditi Madhubhai Vaviya - Daughter of Madhubhai Vaviya	Aditi Madhubhai Vaviya - Daughter of Madhubhai Vaviya
	Abh	hishek Sureshbhai Vaviya - Son of Sureshbhai Vaviya	Abhishek Sureshbhai Vaviya - Son of Sureshbhai Vaviya
		gitaben Madhubhai Vaviya Wife of Madhubhai Vaviya	Sangitaben Madhubhai Vaviya - Wife of Madhubhai Vaviya
	So	ham Patel - Wife of Jay P. Patel	Soham Patel - Wife of Jay P. Patel
	Me	gha Patel- Wife of Kunal A. Patel	Megha Patel- Wife of Kunal A. Patel

FOR THE YEAR ENDED 31/3/20 31/3/19 **PARTICULARS** V G Patel Foundation V G Patel Foundation Enterprises over which KMP and/or Relatives of KMP are able to exercise Patel Structural Private Patel Structural Private significant Influence Limited Limited The Trilium The Trilium Swan Medicot LLP Swan Medicot LLP Patel Taxcot Pvt Ltd Patel Taxcot Pvt Ltd

### Related Party Transactions: Key Management Personnel

(₹in Lakhs)

	FOR THE YEAR ENDED	
PARTICULARS	31/3/20	31/3/19
Loans received from Key management personnel		
Pravinbhai Patel	326.56	388.74
Arvindbhai Patel	320.14	441.07
Dineshbhai Vaviya	215.84	1.32
Madhubhai Vaviya	455.75	0.07
Sureshbhai Vaviya	364.94	0.61

	FOR THI	E YEAR ENDED
PARTICULARS	31/3/20	31/3/19
Loans Repaid during the year		
Pravinbhai Patel	577.54	136.88
Arvindbhai Patel	723.50	37.64
Dineshbhai Vaviya	214.54	0.13
Madhubhai Vaviya	455.68	0.01
Sureshbhai Vaviya	364.34	0.06
Closing Balances of Loans		
Pravinbhai Patel	5.56	256.54
Arvindbhai Patel	0.42	403.78
Dineshbhai Vaviya	15.74	14.44
Madhubhai Vaviya	0.82	0.75
Sureshbhai Vaviya	7.24	6.64
Remuneration		
Pravinbhai Patel	300.00	300.00
Arvindbhai Patel	300.00	300.00
Dineshbhai Vaviya	100.80	100.80
Madhubhai Vaviya	100.80	100.80
Sureshbhai Vaviya	100.80	100.80
Sandeep Sahni	51.00	48.00
Aswini Kumar Sahu	27.00	24.00

(₹in Lakhs)

	FOR THE Y	FOR THE YEAR ENDED		
PARTICULARS	31/3/20	31/3/19		
Bonus				
Sandeep Sahni	0.17	0.20		
Aswini Kumar Sahu	0.17	0.20		

(₹in Lakhs)

	FOR TH	FOR THE YEAR ENDED	
PARTICULARS	31/3/20	31/3/19	
Interest Expense			
Pravinbhai Patel	40.94	38.74	
Arvindbhai Patel	70.14	41.07	
Dineshbhai Vaviya	15.84	1.32	
Madhubhai Vaviya	30.75	0.07	
Sureshbhai Vaviya	29.94	0.16	

(₹in Lakhs)

	FOR THE YEAR ENDED	
PARTICULARS	31/3/20	31/3/19
Insurance premium paid towards key man term policy taken by Company		
Pravinbhai Patel	15.38	15.38
Arvindbhai Patel	11.82	11.82
Dineshbhai Vaviya	4.38	4.38
Madhubhai Vaviya	4.34	4.34
Sureshbhai Vaviya	4.36	4.36

### Amount payable: Key Management Personnel

	FOR THE Y	EAR ENDED	
PARTICULARS	31/3/20	31/3/19	
Salary payable			
Pravinbhai Patel	12.50	16.35	
Arvindbhai Patel	11.63	11.50	
Dineshbhai Vaviya	4.75	5.73	
Madhubhai Vaviya	5.05	5.70	
Sureshbhai Vaviya	5.36	5.67	
Sandeep Sahni	3.19	3.78	
Aswini Kumar Sahu	1.77	1.64	
Bonus payable			
Sandeep Sahni	0.17	0.20	
Aswini Kumar Sahu	0.17	0.20	
Defined Benefit Obligation payable			
Pravinbhai Patel	19.05	18.07	
Arvindbhai Patel	18.02	16.69	
Dineshbhai Vaviya	16.98	16.39	
Madhubhai Vaviya	16.87	16.31	
Sureshbhai Vaviya	16.87	16.26	
Sandeep Sahni	2.61	1.55	
Aswini Kumar Sahu	0.53	0.29	

			( \
	FOR THE Y		
PARTICULARS	31/3/20	31/3/19	
Loans received from Key management personnel			
Pravinbhai V Patel (HUF)	0.07	0.06	
Arvindbhai V Patel (HUF)	1.19	1.09	
Sureshbhai P Vaviya (HUF)	0.09	0.11	
Smt. Kaminiben A Patel	2.26	-	
Rekhaben S Vaviya	0.84	-	
Loans Repaid during the year			
Pravinbhai V Patel (HUF)	0.01	0.01	
Arvindbhai V Patel (HUF)	0.12	0.11	
Sureshbhai P Vaviya (HUF)	0.35	0.01	
Smt. Kaminiben A Patel	0.23	-	
Rekhaben S Vaviya	0.08	-	
•			
Closing Balances of Loan Received			
Pravinbhai V Patel (HUF)	0.74	0.68	
Arvindbhai V Patel (HUF)	12.99	11.92	
Sureshbhai P Vaviya (HUF)	0.29	1.18	
Smt. Kaminiben A Patel	24.63	22.60	
Rekhaben S Vaviya	9.13	8.37	
			(₹in L
	FOR THE Y	EAR ENDED	
PARTICULARS	31/3/20	31/3/19	
Salary			
Krunal A Patel	60.00	60.00	
Parth A Patel	42.00	42.00	
Jay P Patel	60.00	60.00	
Krishna D. Vaviya	7.99	1.33	
Smitaben Patel	12.00	12.00	
Ramaben Vaviya	9.60	9.60	
Sangitaben Vaviya	9.60	9.60	
Rekhaben Vaviya	6.00	6.00	
Soham Patel	12.00	12.00	
Megha Patel	12.00	12.00	
Kaminiben Patel	12.00	12.00	
Interest			
Pravinbhai V Patel (HUF)	0.07	0.06	
Arvindhai V Patel (HUF)	1.19	1.09	
Sureshbhai P Vaviya (HUF)	0.09	0.11	
Smt. Kaminiben A Patel	2.26	-	
Smt. Rekhaben S Vaviya	0.84	-	
Stipend	0.00	2.00	
Abhishekbhai Vaviya	3.30	3.60	
Bonus			
Smitaben Patel	0.14	0.20	
Ramaben Vaviya	0.14	0.20	
Sangitaben Vaviya	0.14	0.20	
Soham Patel	0.14	-	
Megha Patel	0.14	-	
Rekhaben Sureshbhai Vaviya	0.14	0.20	

	FOR TH	FOR THE YEAR ENDED	
PARTICULARS	31/3/20	31/3/19	
Krunal A Patel	31.36	19.72	
Parth A Patel	14.01	14.28	
Jay P Patel	27.91	19.23	
Krishna D. Vaviya	1.00	1.00	
Abhishek S. Vaviya	1.00	1.00	
Shweta M. Vaviya	1.00	1.00	
Defined Benefit Obligation payable:			
Krunal A Patel	11.68	10.98	
Parth A Patel	6.51	4.10	
Jay P Patel	8.96	5.79	
Krishna D. Vaviya	0.12	-	

### Amount payable: Relatives of KMP

	FOR TH	E YEAR ENDED	
PARTICULARS	31/3/20	31/3/19	
Salary			
Krunal A Patel	3.39	3.52	
Parth A Patel	2.59	2.62	
Jay P Patel	-	3.53	
Krishna D. Vaviya	0.56	0.66	
Smitaben Patel	0.97	0.90	
Ramaben Vaviya	0.77	0.67	
Sangitaben Vaviya	0.72	0.70	
Rekhaben Vaviya	0.48	0.48	
Soham Patel	0.87	-	
Megha Patel	0.77	-	
Kaminiben Patel	0.59	0.89	
Stipend Payble			
Abhishekbhai Vaviya	-	0.30	
Bonus			
Smitaben Patel	0.14	0.20	
Ramaben Vaviya	0.14	0.20	
Sangitaben Vaviya	0.14	0.20	
Soham Patel	0.14	-	
Megha Patel	0.14	-	
Rekhaben Sureshbhai Vaviya	0.14	0.20	

### Related Party Transactions: Enterprises over which KMP and/or Relatives of KMP are able to exercise significant Influence (₹ in Lakhs)

	FOR THE	YEAR EN
PARTICULARS	31/3/20	31/3/
ade Payable		
atel Structural Private Limited	7.89	217.90
Closing Balance of Security Deposit		
Patel Structural Private Limited	43.69	43.70
Donation		
V G Patel Foundation	84.00	54.00
Security deposit (Maintenance Deposit)		
The Trilium	0.63	0.63
Trade Payables for Fixed Assets		
The Trilium	1.55	1.55
Purchase of Office Building		
The Trilium	-	13.10
Commission Income received		
Patel Structural Private Limited	4.78	-
Trade Receivable		
Patel Structural Private Limited	5.41	-

CIN: U45201GJ2004PLC043955

### NOTES TO CONSOLIDATED FINANCIAL STATEMENT

### Note 35 - Financial Instruments and Fair Value Measurement

### A. CATEGORIES OF FINANCIAL INSTRUMENTS

(₹in Lakhs)

	AN			
PARTICULARS	FAIR VALUE THROUGH PROFIT & LOSS	FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME	AMORTISED COST	TOTAL
Financial Assets				
(i) Investments	2.39	-	58.16	60.55
(ii) Trade receivables	-	-	6,166.35	6,166.35
(iii) Cash and cash equivalents	-	-	12,842.33	12,842.33
(iv) Other financial assets	-	-	136,794.29	13,6794.29
(v) Bank balance other than (iii) above	-	-	10,181.48	10181.48
Total	2.39	-	166,042.62	166045.01
Financial liabilities				
(i) Trade payables	-	-	35,538.12	35,538.12
(ii) Borrowings	-	-	85,400.12	85,400.12
(iii) Other financial liabilities	-	-	19,576.23	19,576.23
(iv) Leased Liabilities	-	-	172.48	172.48
Total	_	_	140,686.95	140,686.95

	AN			
PARTICULARS	FAIR VALUE THROUGH PROFIT & LOSS	FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME	AMORTISED COST	TOTAL
Financial Assets				
(i) Investments	6.52	-	58.14	64.66
(ii) Trade receivables	-	-	8,120.40	8,120.40
(iii) Cash and cash equivalents	-	-	1,778.33	1,778.33
(iv) Other financial assets	-	-	75,406.08	75,406.08
(v) Bank balance other than (iii) above	-	-	5,767.28	5,767.28
Total	6.52	-	91,130.23	91,136.75
Financial liabilities				
(i) Trade payables	-	-	29,226.73	29,226.73
(ii) Borrowings	-	-	58,970.94	58,970.94
(iii) Other financial liabilities	-	-	8,910.65	8,910.65
(iv) Leased Liabilities	-	-	-	-
Total	_	_	97,108.32	97,108.32

### **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).

JOINT OPERATION	AS AT MARCH 31, 2020	AS AT MARCH 31, 2019
Long Term Borrowings (Refer Note 18, 24)	72,234.22	35,634.48
Short Term Borrowings (Refer Note 22)	13,165.90	23,336.45
Less: Cash & Cash Equivalents (Refer Note 12)	12,842.33	1,778.33
Net Debt	72,557.79	57,192.61
Total equity	63,530.69	51,390.96
Total Capital	63,530.69	51,390.96
Gearing Ratio	114.21%	111.29%

iii. 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 loans and borrowings, 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 trade and other receivables, and 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:

### 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.

The sensitivity analysis have been carried out based on the exposure to interest rates for loans carried at variable rate.

JOINT OPERATION	AS AT MARCH 31, 2020	AS AT MARCH 31, 2019
Variable Rate Borrowings (₹ in Lakhs)	10,242.63	18,746.45
% change in interest rates	0.50%	0.50%
Impact on Profit for the year	51.21	93.73

### 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 significant exposure in foreign currency. The details of the same have been given in Note 40 of Annexure V.

### 1.3 Commodity Risk

The Company is 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.

PARTICULARS	WITHIN 1 YEAR	2 TO 5 YEAR	MORE THAN 5 YEAR	CARRYING AMOUNT
As at March 31, 2020				
Borrowings	18,658.95	31,837.03	34,904.14	85,400.12
Trade Payables	35,538.12	-	-	35,538.12
Other Financial Liabilities	14,688.85	4,887.38	-	19,576.23
Leased Liabilities	118.92	53.56	-	172.48
As at March 31, 2019				
Borrowings	31,300.77	20,007.88	7,662.28	58,970.94
Trade Payables	29,226.73	-	-	29,226.73
Other Financial Liabilities	6,031.44	2,879.20	-	8,910.65

### PATEL INFRASTRUCTURE LIMITED

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NOTES TO CONSOLIDATED FINANCIAL STATEMENT

### **Note 36: Employee Benefits**

### A. Defined Contribution Plan

The Company's contribution to Provident Fund aggregating Rs. 166.17 Lakhs has been recognised in the Statement of Profit or Loss under the head Employee Benefits Expense.

### **B.** Defined Benefit Plan:

### Gratuity

The Company operates a defined benefit plan (the Gratuity plan) covering eligible employees, which provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment.

The status of gratuity plan as required under Ind AS-19:

Components of defined benefit costs recognised in other

comprehensive income

(₹in Lakhs)

72.91

PARTICULARS	AS AT MARCH 31, 2020	AS AT MARCH 31, 2019
i. Reconciliation of Opening and Closing Balances of defined benefit obligation		
Present Value of Defined Benefit Obligations at the beginning of the Year	609.98	390.54
Current Service Cost	134.04	117.63
Past service Cost	-	-
Interest Cost	37.28	28.90
Benefit paid	(4.79)	
Change in financial assumptions	32.89	8.56
Gratuity provision written back	(9.79)	-
Change in demographic assumption	0.00	-
Experience variance (i.e. Actual experience vs assumptions)	(59.77)	64.35
Present Value of Defined Benefit Obligations at the end of the Year	739.85	609.98
PARTICULARS	AS AT MARCH 31, 2020	AS AT MARCH 31, 2019
ii. Reconciliation of the Present value of defined benefit obligation and Fair value of plan assets		
Present Value of Defined Benefit Obligations at the end of the Year	739.85	609.98
Fair Value of Plan assets at the end of the Year	(29.82)	-
Net Asset / (Liability) recognized in balance sheet as at the end of the Year	710.03	609.98
PARTICULARS	AS AT MARCH 31, 2020	AS AT MARCH 31, 2019
iii. Gratuity Cost for the Year		,
Current service cost	134.04	117.63
Interest Cost	37.28	28.90
Past service Cost	-	-
Expenses recognised in the income statement	171.32	146.53
PARTICULARS	AS AT MARCH 31, 2020	AS AT MARCH 31, 2019
iv. Other Comprehensive Income		
Actuarial (Gain) / loss		
Change in financial assumptions	32.89	8.56
Change in demographic assumption	0.00	-
Experience variance (i.e. Actual experience vs assumptions)	(59.77)	64.35
Return on plan assets, excluding amount recognised in net interest expense	(1.09)	-

(27.97)

PARTICULARS	AS AT MARCH 31, 2020	AS AT MARCH 31, 2019
v. Actuarial Assumptions		
Discount Rate (per annum)	5.75%	7.00%
Annual Increase in Salary Cost	10.00%	10.00%
Rate of Employee Turnover	25.00%	25.00%
14 · III B · · · · · · · · · · · · · · · ·		

Mortality Rates as given under Indian Assured Lives Mortality (2012-14.) Ultimate Retirement Age 60 Years.

### vi. Sensitivity Analysis

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and attrition rate. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting year, while holding all other assumptions constant. The results of sensitivity analysis is given below:

(₹in Lakhs)

PARTICULARS	AS AT MARCH 31, 2020	AS AT MARCH 31, 2019
Defined Benefit Obligation(Base)	739.84	609.98

	AS AT MAR	AS AT MARCH 31, 2020		CH 31, 2019
PARTICULARS	DECREASE	INCREASE	DECREASE	INCREASE
Discount Rate (- / + 1%)	31.33	28.89	22.55	20.97
(% change compared to base due to sensitivity)	4.23%	3.91%	3.70%	3.44%
Salary Growth Rate (- / + 1%)	25.97	26.92	18.57	19.60
(% change compared to base due to sensitivity)	3.51%	3.64%	3.04%	3.21%
Withdrawal Rate (-/+10%)	26.12	23.18	N.A.	N.A.
(% change compared to base due to sensitivity)	3.53%	3.13%	N.A.	N.A.

### vii. Effect of Plan on Entity's Future Cash Flows

### a) Maturity Profile of Defined Benefit Obligation

Weighted Average duration of the defined benefit obligation - 3.48 years

(₹in Lakhs)

PARTICULARS	AS AT MARCH 31, 2020	AS AT MARCH 31, 2019
Duration of the defined benefit obligation		
1st Following Year	165.98	132.71
2nd Following year	107.11	100.15
3rd Following Year	90.73	82.73
4th Following Year	85.75	65.76
5th Following Year	69.39	58.86
Above 5	220.88	169.78
Total	739.85	609.98

The discount rate is based on the prevailing market yields of Government of India's securities as at the balance sheet date for the estimated term of the obligations.

The defined plans expose the Company to actuarial risks such as Interest rate risk, Salary risk, Investment risk.

Interest rate risk: A fall in the discount rate which is linked to the G.Sec. Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increase the mark to market value of the assets depending on the duration of asset.

Salary Risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

Investment Risk: The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

### b) Other Long Term Employee Benefits

Amount of Rs 36.05 Lakhs (previous year: Rs (88.89) Lakhs) towards compensated absences is recognised as an expense and included in "Employee benefits expense" in the Statement of Profit and Loss.

### **Actuarial Assumptions**

PARTICULARS	AS AT MARCH 31, 2020	AS AT MARCH 31, 2019
Discount Rate (per annum)	5.75%	7.00%
Annual Increase in Salary Cost	10.00%	10.00%
Rate of Employee Turnover	25.00%	25.00%
Mortality Rates as given under Indian Assured Lives Mortality (2012-14)		
Ultimate Retirement Age 60 Years.		

### Note 37: Corporate Social Responsibility (CSR)

Expenditure towards Corporate Social Responsibility as per Companies Act, 2013 read with Rules and Regulations there of. (₹ in Lakhs)

	FOR THE YEAR ENDED	
PARTICULARS	MARCH 31, 2020	MARCH 31, 2019
Gross Amount required to be spent by the Company	198.89	150.79
Amount Spent during the year towards activities specified in CSR Policy	124.01	87.95
Related Party Transactions in relation to Corporate Social Responsibility	84.00	54.00

### Note 38: Notes on Exceptional Item

This is with relation to a dispute between M/s. Amar Infrastructure Limited and M/s Patel Infrastructure Limited and promoter Directors with relation to a MOU dated 14.08.2012 for sub-contract of Output and performance based road contract (Asset Management Contract) for improvement, rehabilitation, resurfacing, and routine maintenance works of roads of Sangrur- Mansa-Bhatinda (OPRC work). The said work has been awarded to the Company by PWD (B&R) Punjab. Subsequently the dispute has been reached before Hon'ble CJM Mohali and Hon'ble High Court of Punjab and Haryana through separate applications. On April 02, 2019 the parties mutually agreed to resolve their dispute and a settlement deed has been executed on that date and the same has been submitted before Hon'ble High Court of Punjab and Haryana. Considering the settlement between the parties Hon'ble High Court of Punjab and Haryana quashed all pending applications in this regard and now the matter stands closed. Based on the settlement deed the Company has provided for net amount payable to M/s. Amar Infrastructure Limited amounting to Rs. 450.00 Lakhs being adjusting event occurring after the balance sheet date.

### **Note 39: Basic and Diluted Earnings Per Share**

(₹in Lakhs)

PARTICULARS	FOR THE YEAR ENDED MARCH 31, 2020	FOR THE YEAR ENDED MARCH 31, 2019
Earnings per equity share		
Profit attributable to equity shareholders (Rs. In Lakhs)	11,773.53	8,546.30
Adjusted profit attributable to ordinary equity holders (Rs. In Lakhs)	11,949.56	8,546.30
Weighted average number of equity shares outstanding during the year*	45,600,000	45,600,000
Number of ordinary shares resulting from conversion of bonds	19,437,719	19,437,719
Number of ordinary shares used to calculate diluted earnings per share	65,037,719	65,037,719
Nominal value of equity per share	10	10
Basic EPS (₹ Per Share)	25.82	18.74
Diluted EPS (₹ Per Share)	18.37	13.14

<sup>&</sup>quot;\* Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the year adjusted by the number of equity shares issued during the year multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the year.

The Company has issued 4,18,00,000 bonus shares during the FY 2017-18 thereby increasing the number of equity shares to 4,56,00,000 shares. Accordingly, Basic and Diluted earning per share presented above has been adjusted.

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### **Note 40: Foreign Currency Transactions and Exposure**

During the year there are no Foreign currency transactions, Receivable/ Payable at the reporting date. Hence, there is no sensitivity of price risk.

### **Note 41: Contingent liabilities and Commitments**

### a) Contingent liabilities

(₹in Lakhs)

PARTICULARS	AS AT MARCH 31, 2020	AS AT MARCH 31, 2019
a) Claims against the company not acknowledged as debt	139.70	132.55
b) Guarantees	27,254.43	42,780.86
i) Outstanding Bank Guarantees	-	<del>-</del>
ii) Corporate Guarantees		
<ul> <li>c) Other money for which the company is contingently liable (Direct and Indirect Taxes)</li> </ul>	3,556.63	540.98

b) Commitments (₹ in Lakhs)

PARTICULARS	AS AT MARCH 31, 2020	AS AT MARCH 31, 2019
a) Estimated amount of contracts remaining to be executed on capital	63.67	33.31
account and not provided for (net of capital advances)		

### **Note 42 - Payment to Auditors**

(₹in Lakhs)

PARTICULARS	AS AT MARCH 31, 2020	AS AT MARCH 31, 2019
For Audit	30.85	26.25
For Taxation matters	8.25	31.50
Other Services	8.25	4.00
For IPO related Services	-	-
Reimbursement of Expenses	0.25	1.00
Total	47.60	62.75

### **Note 43: Movement in Deferred tax Assets/Liabilities**

### A. Amount Recognised in Profit and Loss

(₹in Lakhs)

		( V III Lakiis
PARTICULARS	FOR THE YEAR ENDED MARCH 31, 2020	FOR THE YEAR ENDED MARCH 31, 2019
Current income tax:		
Current income tax charge	3,503.68	2,857.69
(Excess) / Short provision of earlier periods	182.03	(24.05)
Deferred tax:		
Relating to origination and reversal of temporary differences	1,738.90	2,050.46
Total	5,424.61	4,884.10

### **B. Income Tax in Other Comprehensive Income**

		( CIII Editilo)
PARTICULARS	FOR THE YEAR ENDED MARCH 31, 2020	FOR THE YEAR ENDED MARCH 31, 2019
Deferred tax:		
Remeasurements gains and losses on post employment benefits	(9.77)	25.48
Income tax expense reported in the statement of other comprehensive income	(9.77)	25.48

PARTICULARS         FOR THE YEAR ENDED MARCH 31, 2020         FOR THE YEAR ENDED MARCH 31, 2019           Accounting profit before tax         17,198.14         13,430.40           Applicable Income tax rate         34.94%         34.94%           Computed expected tax expense         6,009.72         4,693.12           Deferred Tax expenses accounted in books         1,738.90         2,050.46           Effect of expense not allowed for tax purpose         4,057.27         4,303.82           Effect of expense allowed for tax purpose         (2,699.93)         (4,568.51)           Effect of Deductions Claimed for tax purpose         (645.74)         (3,892.75)           Effect of carried forward losses         (336.61)         -           Tax losses brought forward utilised         (0.55)         -           Tax effect due to non-taxable income for tax purposes         (114.41)         -           (Excess) / Short provision of earlier periods         182.03         (24.05)           Ind AS Adjustments         -         2,293.85           Others         (3843.87)         (531.79)           Effect of difference in tax rate         228.76         -           Tax on book profit as per Minimum Alternate Tax         849.04         559.95           Income tax expense reported in the statement of profit and			·
Accounting profit before tax         17,198.14         13,430.40           Applicable Income tax rate         34.94%         34.94%           Computed expected tax expense         6,009.72         4,693.12           Deferred Tax expenses accounted in books         1,738.90         2,050.46           Effect of expense not allowed for tax purpose         4,057.27         4,303.82           Effect of expense allowed for tax purpose         (2,699.93)         (4,568.51)           Effect of Deductions Claimed for tax purpose         (645.74)         (3,892.75)           Effect of carried forward losses         (336.61)         -           Tax losses brought forward utilised         (0.55)         -           Tax effect due to non-taxable income for tax purposes         (1114.41)         -           (Excess) / Short provision of earlier periods         182.03         (24.05)           Ind AS Adjustments         -         2,293.85           Others         (3843.87)         (531.79)           Effect of difference in tax rate         28.76         -           Tax on book profit as per Minimum Alternate Tax         849.04         559.95           Income tax expense         5,424.61         4,884.10			
Applicable Income tax rate         34.94%         34.94%           Computed expected tax expense         6,009.72         4,693.12           Deferred Tax expenses accounted in books         1,738.90         2,050.46           Effect of expense not allowed for tax purpose         4,057.27         4,303.82           Effect of expense allowed for tax purpose         (2,699.93)         (4,568.51)           Effect of Deductions Claimed for tax purpose         (336.61)         -           Effect of carried forward losses         (336.61)         -           Tax losses brought forward utilised         (0.55)         -           Tax effect due to non-taxable income for tax purposes         (114.41)         -           (Excess) / Short provision of earlier periods         182.03         (24.05)           Ind AS Adjustments         -         2,293.85           Others         (3843.87)         (531.79)           Effect of difference in tax rate         228.76         -           Tax on book profit as per Minimum Alternate Tax         849.04         559.95           Income tax expense         5,424.61         4,884.10	PARTICULARS	MARCH 31, 2020	MARCH 31, 2019
Computed expected tax expense         6,009.72         4,693.12           Deferred Tax expenses accounted in books         1,738.90         2,050.46           Effect of expense not allowed for tax purpose         4,057.27         4,303.82           Effect of expense allowed for tax purpose         (2,699.93)         (4,568.51)           Effect of Deductions Claimed for tax purpose         (645.74)         (3,892.75)           Effect of carried forward losses         (336.61)         -           Tax losses brought forward utilised         (0.55)         -           Tax effect due to non-taxable income for tax purposes         (114.41)         -           (Excess) / Short provision of earlier periods         182.03         (24.05)           Ind AS Adjustments         -         2,293.85           Others         (3843.87)         (531.79)           Effect of difference in tax rate         228.76         -           Tax on book profit as per Minimum Alternate Tax         849.04         559.95           Income tax expense         5,424.61         4,884.10	Accounting profit before tax	17,198.14	13,430.40
Deferred Tax expenses accounted in books       1,738.90       2,050.46         Effect of expense not allowed for tax purpose       4,057.27       4,303.82         Effect of expense allowed for tax purpose       (2,699.93)       (4,568.51)         Effect of Deductions Claimed for tax purpose       (645.74)       (3,892.75)         Effect of carried forward losses       (336.61)       -         Tax losses brought forward utilised       (0.55)       -         Tax effect due to non-taxable income for tax purposes       (114.41)       -         (Excess) / Short provision of earlier periods       182.03       (24.05)         Ind AS Adjustments       -       2,293.85         Others       (3843.87)       (531.79)         Effect of difference in tax rate       228.76       -         Tax on book profit as per Minimum Alternate Tax       849.04       559.95         Income tax expense       5,424.61       4,884.10	Applicable Income tax rate	34.94%	34.94%
Effect of expense not allowed for tax purpose       4,057.27       4,303.82         Effect of expense allowed for tax purpose       (2,699.93)       (4,568.51)         Effect of Deductions Claimed for tax purpose       (645.74)       (3,892.75)         Effect of carried forward losses       (336.61)       -         Tax losses brought forward utilised       (0.55)       -         Tax effect due to non-taxable income for tax purposes       (114.41)       -         (Excess) / Short provision of earlier periods       182.03       (24.05)         Ind AS Adjustments       -       2,293.85         Others       (3843.87)       (531.79)         Effect of difference in tax rate       228.76       -         Tax on book profit as per Minimum Alternate Tax       849.04       559.95         Income tax expense       5,424.61       4,884.10	Computed expected tax expense	6,009.72	4,693.12
Effect of expense allowed for tax purpose       (2,699.93)       (4,568.51)         Effect of Deductions Claimed for tax purpose       (645.74)       (3,892.75)         Effect of carried forward losses       (336.61)       -         Tax losses brought forward utilised       (0.55)       -         Tax effect due to non-taxable income for tax purposes       (114.41)       -         (Excess) / Short provision of earlier periods       182.03       (24.05)         Ind AS Adjustments       -       2,293.85         Others       (3843.87)       (531.79)         Effect of difference in tax rate       228.76       -         Tax on book profit as per Minimum Alternate Tax       849.04       559.95         Income tax expense       5,424.61       4,884.10	Deferred Tax expenses accounted in books	1,738.90	2,050.46
Effect of Deductions Claimed for tax purpose       (645.74)       (3,892.75)         Effect of carried forward losses       (336.61)       -         Tax losses brought forward utilised       (0.55)       -         Tax effect due to non-taxable income for tax purposes       (114.41)       -         (Excess) / Short provision of earlier periods       182.03       (24.05)         Ind AS Adjustments       -       2,293.85         Others       (3843.87)       (531.79)         Effect of difference in tax rate       228.76       -         Tax on book profit as per Minimum Alternate Tax       849.04       559.95         Income tax expense       5,424.61       4,884.10	Effect of expense not allowed for tax purpose	4,057.27	4,303.82
Effect of carried forward losses       (336.61)       -         Tax losses brought forward utilised       (0.55)       -         Tax effect due to non-taxable income for tax purposes       (114.41)       -         (Excess) / Short provision of earlier periods       182.03       (24.05)         Ind AS Adjustments       -       2,293.85         Others       (3843.87)       (531.79)         Effect of difference in tax rate       228.76       -         Tax on book profit as per Minimum Alternate Tax       849.04       559.95         Income tax expense       5,424.61       4,884.10	Effect of expense allowed for tax purpose	(2,699.93)	(4,568.51)
Tax losses brought forward utilised       (0.55)       -         Tax effect due to non-taxable income for tax purposes       (114.41)       -         (Excess) / Short provision of earlier periods       182.03       (24.05)         Ind AS Adjustments       -       2,293.85         Others       (3843.87)       (531.79)         Effect of difference in tax rate       228.76       -         Tax on book profit as per Minimum Alternate Tax       849.04       559.95         Income tax expense       5,424.61       4,884.10	Effect of Deductions Claimed for tax purpose	(645.74)	(3,892.75)
Tax effect due to non-taxable income for tax purposes       (114.41)       _         (Excess) / Short provision of earlier periods       182.03       (24.05)         Ind AS Adjustments       -       2,293.85         Others       (3843.87)       (531.79)         Effect of difference in tax rate       228.76       -         Tax on book profit as per Minimum Alternate Tax       849.04       559.95         Income tax expense       5,424.61       4,884.10	Effect of carried forward losses	(336.61)	-
(Excess) / Short provision of earlier periods       182.03       (24.05)         Ind AS Adjustments       -       2,293.85         Others       (3843.87)       (531.79)         Effect of difference in tax rate       228.76       -         Tax on book profit as per Minimum Alternate Tax       849.04       559.95         Income tax expense       5,424.61       4,884.10	Tax losses brought forward utilised	(0.55)	-
Ind AS Adjustments         -         2,293.85           Others         (3843.87)         (531.79)           Effect of difference in tax rate         228.76         -           Tax on book profit as per Minimum Alternate Tax         849.04         559.95           Income tax expense         5,424.61         4,884.10	Tax effect due to non-taxable income for tax purposes	(114.41)	_
Others         (3843.87)         (531.79)           Effect of difference in tax rate         228.76         -           Tax on book profit as per Minimum Alternate Tax         849.04         559.95           Income tax expense         5,424.61         4,884.10	(Excess) / Short provision of earlier periods	182.03	(24.05)
Effect of difference in tax rate         228.76         -           Tax on book profit as per Minimum Alternate Tax         849.04         559.95           Income tax expense         5,424.61         4,884.10	Ind AS Adjustments	-	2,293.85
Tax on book profit as per Minimum Alternate Tax         849.04         559.95           Income tax expense         5,424.61         4,884.10	Others	(3843.87)	(531.79)
Income tax expense 5,424.61 4,884.10	Effect of difference in tax rate	228.76	-
, , , , , , , , , , , , , , , , , , , ,	Tax on book profit as per Minimum Alternate Tax	849.04	559.95
Income tax expense reported in the statement of profit and loss 5,424.61 4,884.10	Income tax expense	5,424.61	4,884.10
	Income tax expense reported in the statement of profit and loss	5,424.61	4,884.10

### PATEL INFRASTRUCTURE LIMITED

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(₹ in Lakhs)

## Note 43: Movement in Deferred tax Assets/ Liabilities

NOTES TO CONSOLIDATED FINANCIAL STATEMENT

### D. Recognized deferred tax assets and liabilities

BALANCE AS AT MARCH 31, 2020 367.72 62.89 2.12 45.15 108.18 150.59 1,639.28 5,151.57 1,250.74 248.38 2,074.67 149.64 1,848.97 (9.77)9.77 RECOGNIZED IN **OCI DURING** 184.47 68.02 3.48 44.48 (5.40)RECOGNIZED IN (67.12)1,227.09 PROFIT OR LOSS DURING 2019-20 1,250.74 49.42 (37.44)(171.94)(1,548.54)1,738.92 412.19 299.70 209.73 188.03 113.58 62.41 174.06 0.67 **BALANCE AS** AT APRIL 1, 2019 4,967.10 216.76 100.28 3,623.21 BALANCE AS AT MARCH 31, 2019 209.73 62.41 188.02 174.06 0.67 113.58 4,967.10 216.76 299.70 412.19 100.28 3,623.21 RECOGNIZED IN OCI DURING 2018-19 25.48 (25.48)RECOGNIZED IN PROFIT OR LOSS DURING 2018-19 412.19 73.94 58.52 (40.11)124.51 147.37 0.67 5.51 88.71 2,050.45 2,774.05 (0.56)148.27 0.56 **BALANCE AS** 68.49 102.52 63.52 26.69 2,193.05 225.76 125.73 108.07 3,534.50 (1,924.69)**AT APRIL 1** Capital Expenditure allowable in future years Excess of depreciation and amortization on Fair Valuation of non-current Investment depreciation and amortization provided fixed assets under income tax law over Fair Valuation of financial instruments Provision for Compensated absences Provision for Expected Credit Loss Fair Valuation of financial liabilities Fair Valuation of financial assets Unabsorbed Business losses **Less: Deferred Tax Assets** Deferred tax Liabilities MAT Credit Entitlement under Income Tax Law Provision for Gratuity Provision for Bonus Prepaid Expenses **PARTICULARS** carried at FVTPL carried at FVTPL in accounts (\*)

Lakhs on account of erroneous WDV considered as per Income tax Act, 1961 for Deferred tax liabilities working. Hence, the profit after tax as well as other comprehensive \* As per IND AS-8 Accounting Policies, Change in Accounting Estimates and Errors, the Financial statement of 2017-18 have been restated amounting to Rs. 1,470.70 income have been reduced to the extent of Rs. 1470.70 Lakhs compared to reported figures of Financial Year 2017-18. Similarly, Deferred tax assets (net) and Other Equity have been reduced.

Note 44: Disclosures Required as per Schedule III to the Companies Act, 2013

PATEL INFRASTRUCTURE LIMITED CIN: U45201GJ2004PLC043955

	NET ASSETSI.E. TOTAL		ASSETS MINUS TOTAL LIABILITIES	LIABILITIES		SHAREIN	SHARE IN PROFIT OR LOSS	
	31-MAR-20	-20	31-MAR-19	19	31-MAR-20	0	31-MAR-19	6
PARTICULARS	AS % OF CONSOLIDATED NET ASSETS	AMOUNT	AS % OF CONSOLIDATED NET ASSETS	AMOUNT	AS % OF CONSOLIDATED NET ASSETS	AMOUNT	AS % OF CONSOLIDATED NET ASSETS	AMOUNT
Ultimate Holding Company								
Patel Infrastructure Limited	85.21%	54,132.07	77.21%	39,679.83	117.65%	13,851.60	59.33%	5,070.19
Subsidiaries								
Patel Highway Management Private Limited	10.38%	6,591.37	13.69%	7,034.03	-3.60%	-423.58	11.28%	963.60
Patel Bridge Nirman Privatre Limited	7.45%	4,732.97	%90.6	4,654.92	5.82%	685.11	5.24%	447.72
Patel Hospitality Private Limited	%00:0	2.21	%00:0-	(1.58)	0.03%	3.80	0.01%	1.18
Patel Darah Jhalawar Highway Private Limited	16.79%	10,665.94	14.36%	7,378.06	4.85%	570.76	7.13%	609.55
Patel Sethiyahopu Cholopuram Private Limited	10.35%	6,578.04	16.01%	8,226.28	-15.27%	-1,797.61	8.39%	716.76
Patel Cholopuram Thanjavur Private Limited	15.97%	10,147.47	13.83%	7,108.24	-3.02%	-355.76	6.51%	556.48
Patel Vadodara Kim Expressway Private Limited	18.29%	11,622.08	2.46%	1,262.00	-3.30%	-388.18	2.12%	180.80
				,				;
Non Controlling interest in all subsidiaries	1.94%	1,230.29	2.35%	1,210.00	1.51%	178.13	1.36%	116.41
Adjustments arising out of Consolidation	%86.38%	(42,171.75)	-48.96%	(25,160.82)	-4.68%	(550.76)	-1.36%	(116.40)
TOTAL	100.00%	63,530.69	100.00%	51,390.96	100.00%	11,773.53	100.00%	8,546.30
	NET ASSETS I.E. TOTAL A	OTAL ASSE	SSETS MINUS TOTAL LIABILITIES	ABILITIES	S	HARE IN PRO	SHARE IN PROFIT OR LOSS	
	3	31-MAR-20	31-MAR-19	19	31-MAR-20	0	31-MAR-19	-19
PARTICIII ARS	"AS % OF CONSOLIDATED OCI"	AMOUNT	"AS % OF CONSOLIDATED OC!"	AMOUNT	"AS % OF CONSOLIDATED TCI"	AMOUNT	"AS % OF CONSOLIDATED TCI"	AMOUNT
Ultimate Holding Company								
Patel Infrastructure Limited	100.00%	18.20	134%	(63.63)	117.62%	13,869.80	58.91%	5,006.56
Subsidiaries								
Patel Highway Management Private Limited	ı	ı	-34%	16.20	-3.59%	(423.58)	11.53%	979.80
Patel Bridge Nirman Privatre Limited	-	1	-	1	5.81%	685.11	5.27%	447.72
Patel Hospitality Private Limited	-	-	-		0.03%	3.80	0.01%	1.18
Patel Darah Jhalawar Highway Private Limited	-	1	•	1	4.84%	570.76	7.17%	609.55
Patel Sethiyahopu Cholopuram Private Limited	1	1	1	1	-15.24%	(1,797.61)	8.43%	716.76
Patel Cholopuram Thanjavur Private Limited	1	ı	1	1	-3.02%	(355.76)	6.55%	556.48
Patel Vadodara Kim Expressway Private Limited					-3.29%	(388.18)	2.13%	180.80
	1	1	1	1				
Non Controlling interest in all subsidiaries	1	1	1	ı	%66:0	116.41	1.37%	116.41
Adjustments arising out of Consolidation	•	1	•	1	-4.15%	(489.03)	-1.37%	(116.31)
TOTAL	100.00%	18.20	100.00%	(47.43)	100.00%	11,791.72	100.00%	8,498.87

### **Note 45: Segment Reporting**

The Company operates under one geographical segment in India. The company is engaged in business segment as given here under:Defined Contribution Plan

### (a) Operating Segments

The Group has determined following reporting segments based on the information reviewed by the Group's Chief Operating Decision Maker ('CODM').

- (i) Constructing & Engineering
- (ii) BOT (Toll Operation, Annuity, Hybrid Annuity)

### (b) Identification of Segments:

The chief operational decision maker monitors the operating results of its business segment separately for the purpose of making decision about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements, operating segment have been identified on the basis of nature of products and other quantitative criteria specified in the Ind AS 108.

### (c) Segment assets and liabilities:

Segment assets include all operating assets used by the operating segment and mainly consist of property, plant and equipment's, trade receivables, Inventory and other operating assets. Segment liabilities primarily includes trade payable and other liabilities. Common assets and liabilities which can not be allocated to any of the business segment are shown as unallocable assets / liabilities.

### **Statement showing details of Segment Reporting:**

	FOR THE YEA	R ENDED MARCH	31, 2020	FOR THE Y	EAR ENDED MARC	H 31, 2020
PARTICULARS	CONSTRUCTION & ENGINEERING	BOT (TOLL & Annuity)	TOTAL	CONSTRUCTION & ENGINEERING	BOT (TOLL & Annuity)	TOTAL
REVENUE						
External Revenue	200,349.58	9,551.22	209,900.80	120,709.86	29,855.66	150,565.52
Inter-Segment Revenue	-	-	-	-	-	-
Total	200,349.58	9,551.22	209,900.80	123,943.02	26,622.49	150,565.51
Segment Expense	173,263.93	2,069.00	175,332.93	108,271.59	14,184.95	122,456.64
Segment Result						
Operating Profit	27,085.65	7,482.22	34,567.87	15,671.43	12,437.54	28,108.97
Less: Interest and Other Finance Expense	9,528.25	5,096.64	14,624.89	6,013.35	1,932.86	7,946.21
Interest Income	514.75	498.70	1,013.45	435.71	309.41	745.12
Other Income	1,326.81	(123.09)	1,203.72	913.93	112.35	1,026.28
Profit/(loss) in share of Associate						
Profit Before Extraordinary Items, Exceptional Items Depreciation and Tax	23,626.15	(1,466.00)	22,160.15	14,626.50	7,307.66	21,934.16
Depreciation and Amortisation	4,206.81	755.20	4,962.01	3,783.04	4,270.63	8,053.67
Profit Before Tax and Exceptional Items	19,419.34	(2,221.20)	17,198.14	10,843.47	3,037.02	13,880.49
Extraordinary Items	_	_	-	450.00	-	450.00
Profit Before Tax	19,419.34	(2,221.20)	17,198.14	10,393.47	3,037.02	13,430.49
Current tax	3,346.71	156.97	3,503.68	2,188.35	306.40	2,857.69
Deferred tax	2,031.55	(292.65)	1,738.90	3,135.33	(455.09)	2,050.46
Short Excess Provision of Income Tax	189.48	(7.45)	182.03	(0.42)	(33.15)	(24.05)
Profit After Tax	13,851.60	(2,078.45)	11,773.53	5,070.21	3,218.87	8,546.39
Add: Comprehensive Income for the period	18.20	0.00	18.20	(63.63)	16.20	(47.43)
Total comprehensive income for the Year	13,869.80	(2,078.07)	11,791.73	5,006.58	3,235.07	8,498.96
Non-controlling interests	-	178.13	178.13	-	116.41	116.41
Net Profit for the Year	13,869.80	(2,256.20)	11,613.60	5,006.58	3,118.66	8,382.56

	FOR THE YEAR	ENDED MARCH 3	1, 2020	FOR THE YEAR	FOR THE YEAR ENDED MARCH 31, 2020		
PARTICULARS	CONSTRUCTION & ENGINEERING	BOT (TOLL & Annuity)	TOTAL	CONSTRUCTION & ENGINEERING	BOT (TOLL & Annuity)	TOTAL	
OTHER INFORMATION							
Segment assets	174,389.94	79,287.68	253,677.63	133,269.09	34,728.93	167,998.02	
Segment liabilities	120,257.87	69,889.07	190,146.94	93,589.25	23,017.81	116,607.06	
Capital expenditure	4,035.54	15.10	4,050.64	9,620.99	12.04	9,633.03	
Depreciation and amortisation	4,206.81	755.20	4,962.01	3,783.04	4,270.63	8,053.67	

### Note 46:

The COVID-19 pandemic is rapidly spreading across the world as well as in India and has caused shutdown accross the country. The Company has resumed operations in a phased manner in line with the directives of the Government of India. The management has made initial assessment of likely adverse impact on business, and believes that the impact may not be significant over the terms of its contracts. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the management, as at date of approval of these financial statements has used corroborative information. As on current date, the management has concluded that the impact of Covid-19 is not material based on the evaluations. Due to the nature of the pandemic, the Company will continue to monitor developments to identify significant uncertainties in future periods, if any. The management does not see any long term risks in the Company's ability to continue as a going concern and meeting its liabilities as and when they fall due.

### Note 47:

Previous figures have been reclassified and regrouped wherever considered appropriate.

As per our report of even date

For, Surana Maloo & Co.

Chartered Accountants
Firm Registration Number 112171W

For and Behalf of the Board of Directors

Patel Infrastructure Limited CIN: U45201GJ2004PLC043955

Per, S.D. Patel Partner

Membership No: 037671

Pravinbhai V. Patel

Chairman & Director DIN: 00008911

**Arvind V. Patel** 

Managing Director DIN: 00009089

**Prahalad Ray Mundra** 

Chief Financial Officer

**Aswini Kumar Sahu** 

Company Secretary ICSI Membership No.: F7476

Place: Ahmedabad

Date: December 22, 2020

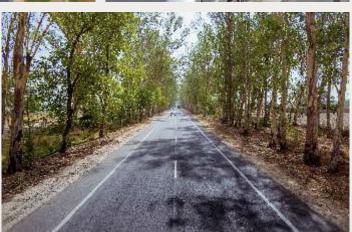
Place: Vadodara

Date: December 22, 2020









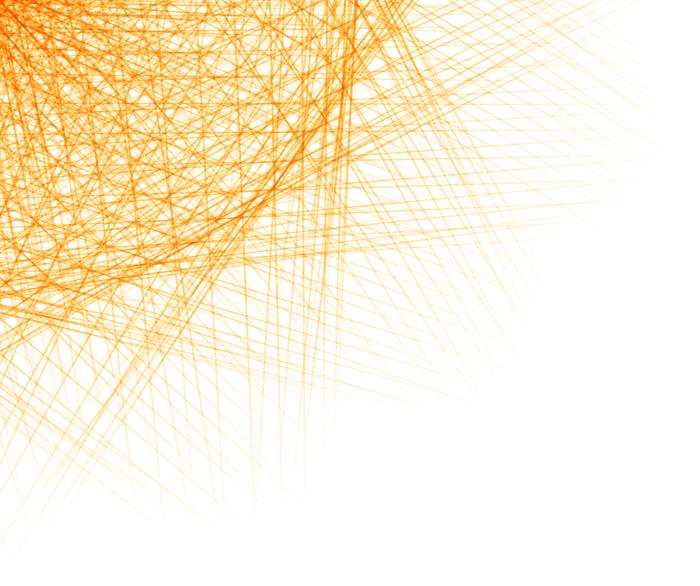














### Patel Infrastructure Limited

### **HEAD OFFICE**

Patel House, Beside Prakruti Resort, Chhani Road, Chhani, Vadodara - 391740. Gujarat, India.

Ph: + 91 265 277 6678 | + 91 265 277 7778

Fax: + 91 265 277 7878 Email: ho@patelinfra.com

### **BRANCH OFFICE**

1, Anubhuti Apts., 82, Swastik Society, Behind St.Xavier's Ladies Hostel, Navrangpura,

Ahmedabad - 380009, Gujarat, India.

Fax: +91 79 26462879

Email: ahmedabad@patelinfra.com

www.patelinfra.com