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Annual Report 2021-22  
of  
Patel Highway Management Private Limited

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**DIRECTORS' REPORT**

To,  
The Members,  
**Patel Highway Management Private Limited,**

Your directors have pleasure in presenting their **13<sup>th</sup> Annual Report** together with Audited Accounts of the Company and Auditors' Report thereon for the year ended on March 31, 2022.

**FINANCIAL SUMMARY**

The Company's financial performance on standalone basis, for the year ended March 31, 2022 is summarised here under:

<b>PARTICULARS</b>	<b>2021-22 (Rs. In Lacs)</b>	<b>2020-21 (Rs. In Lacs)</b>
Total Income	243.72	1,342.34
Total Expenditure	235.56	516.61
Profit Before Tax	<b>8.16</b>	<b>825.73</b>
Tax Expense:		
(i) Current Tax	-	-
(ii) Deferred Tax	6.85	37.57
(iii) (Excess)/ Short provision of earlier periods	2.70	-
Profit/(Loss) for the Period	<b>(1.38)</b>	<b>788.16</b>
Other Comprehensive income (Net of Taxes)	-	-
Total Comprehensive income	<b>(1.38)</b>	<b>788.16</b>
<b>Profit attributable to equity shareholders</b>	<b>(1.38)</b>	<b>788.16</b>

**CURRENT DEVELOPMENT**

Your Company has generated the income by way of collection of toll tax from Palanpur - Radhanpur section (KM 340.00 to KM 458.00) of NH-14 and Radhanpur - Samkhiyali - Section (KM 138.80 to KM 281.30) of NH-15 in the State of Gujarat. During the year under report your Company achieved Total revenue of Rs. 243.72 Lacs against last year turnover of Rs. 1342.34 Lacs (whereas out of total turnover, Revenue from Operation is 223.73 Lacs against Last year income of 510.00 Lacs). The reason in reduction of revenue from operation is that the company is Special Purpose Vehicle to construct and maintain road under government contract and the company's main revenue was from toll collection, during the year, government contract has accomplished and hence to the effect revenue income fell down.

**HOLDING, SUBSIDIARIES, JOINT VENTURES, and ASSOCIATES**

The Company is Wholly Own Subsidiary Company of Patel Infrastructure Limited ("PIL").

The Company has two Associates Company, namely Patel Bridge Nirman Private Limited ("PBNPL") and Patel Sethiyahopu-Cholopuram Highway Private Limited.

[Note: Patel Infrastructure Limited routed 44.75% stake through Patel Highway Management Private Limited, and in terms of Patel Bridge Nirman Private Limited is Associate Company of Patel Highway Management Private Limited and Patel Sethiyahopu-Cholopuram Highway Private Limited "PSCHPL" is SPV of Patel Infrastructure Limited, Wherein PIL along with its Subsidiary PHMPL holding entire share capital of PSCHPL]

Further, a statement containing the salient features of the financial statement of our subsidiaries in the prescribed format AOC-1 is appended as Annexure - I to the Board's report. The statement also provides the details of performance, financial positions of the subsidiaries and name of the companies which have become/ceased to be subsidiaries, JV or Associate Companies during the year.

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

The company has not prepared consolidated financial statements of the Company for its Associate Company viz Patel Bridge Nirman Private Limited as per Rules 6 of the Companies (Accounts) Rules, 2014, Company is exempt from Consolidation as its ultimate holding Company i.e Patel Infrastructure Limited has filed Consolidated Balance Sheet with ROC and complied other provisions. Further, a separate statement containing the salient features of financial statement of subsidiaries, joint ventures and associates in Form AOC-1 attached as Annexure - I which forms part of this Report. The statement also provides the details of performance, financial positions of each of the subsidiaries/associates/JVs.

## ANNUAL RETURN and MGT-9

The extract of Annual Return required under Section 134(3)(a) of the Companies Act, 2013 read with rule 12(1) of the Companies (Management and Administration) Rules, 2014, in Form MGT-9, for the Financial Year ended 31st March, 2022 is annexed Annexure - IV, and forms part of the Directors Report. Annual return and MGT-9 will be available on the Company's Website <https://www.patelinfra.com>.

## PARTICULARS OF BOARD MEETING

Sr. No.	Type of Meeting/ Postal ballot / Circular Resolution, etc.	Number of meeting / circular resolution passed, etc.	Dates of Meetings held during Financial year.
1.	Board Meetings	7(Seven)	29.07.2021,04.09.2021, 05.10.2021, 08.10.2021, 11.11.2021, 01.01.2022, 11.03.2022

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

## DIRECTORS' RESPONSIBILITY STATEMENT

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

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

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

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

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

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

(f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## DIRECTORS AND KMP

There is no change among Directors and none of the Directors are liable to retire by rotation in terms of provision of the Articles of Association.

## AUDITORS

M/s. Surana Maloo & Co., Chartered Accountants, (Firm Registration No .112171W) were appointed as Statutory Auditors of the Company for a period of 5 (Five) consecutive years in the AGM held on 30.09.2017 until the conclusion of the ensuing Annual General Meeting and is eligible for reappointment. The Auditors have confirmed that they are not disqualified from continuing as Statutory Auditors of the Company and hold a valid certificate issued by Peer Review Board of the ICAI. The Board is of the opinion that continuation of M/s. Surana Maloo & Co., as Statutory Auditors will be in the best interests of the Company and therefore, the members are requested to consider their re-appointment as Statutory Auditors of the Company, for a second term of five consecutive years, from the conclusion of the ensuing Annual General Meeting, till the Annual General Meeting to be held in the calendar year 2027, at such remuneration mutually agreed and approved by the Board.

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.

## PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Pursuant to Section 186(11) of the Companies Act, 2013 loans made, guarantees given or securities provided by a company engaged in the business of financing of companies or of

providing infrastructural facilities in the ordinary course of its business are not applicable, hence not given.

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

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

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

## **DIVIDEND**

The Directors have not recommended any dividend for the financial year 2021-22.

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

There are no material changes and commitment affecting the financial position of the Company occurred between the end of the financial year to which this financial statements relate and the date of the report.

## **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. 0.00(NIL) Power, Fuel and Electricity (P.Y. Rs. 0.00) Lacs Power, Fuel & Electricity) 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:**

NIL (P.Y. Nil)

## **RISK MANAGEMENT POLICY**

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

## **CSR POLICY**

Report on CSR Activity and CSR Expenditure during the Year has been provided as Annexure - III.

## DEPOSITS

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

## CHANGE IN THE NATURE OF BUSINESS, IF ANY

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

## INTERNAL CONTROL SYSTEMS

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

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

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

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

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

In order to provide women employees a safe working environment at workplace and also in compliance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules framed thereunder, the Company has formulated a well-defined policy on prevention, prohibition and redressal of complaints relating to sexual harassment of women at the workplace. No complaints pertaining to sexual harassment of women employees from any of the Company's locations were received during the year ended March 31, 2022.

## VIGIL MECHANISM

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

## INSURANCE

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

## PARTICULARS OF EMPLOYEES

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

## APPLICATION MADE OR ANY PROCEEDING

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

## DIFFERENCE BETWEEN AMOUNT OF THE VALUATION

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

## GENERAL

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

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

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

7. Formal Evaluation by Board of Its own Performance:

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

8. Analysis of remuneration:

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

9. Policy on director's appointment & remuneration:

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

10. Corporate Governance:

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

## ACKNOWLEDGEMENTS:

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

For and on behalf of Board  
Patel Highway Management Private Limited

Place: Vadodara  
Date: 29.09.2022

Pravinbhai V. Patel - 00008911  
Chairman & Director

## Annexures:

- i. Form AOC-1: SUBSIDIARIES, JOINT VENTURES, and ASSOCIATES
- ii. Form AOC -2: PARTICULARS OF CONTRACT OR ARRANGEMENTS WITH RELATED PARTIES
- iii. CSR Expenditure
- iv. Form MGT-9: Extract of Annual Return



Annexure – I: Form AOC-I		
(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)		
Part "A": Subsidiaries: Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures		
(Information in respect of each subsidiary to be presented with amounts in Lakhs)		
Sr.No	Name of the subsidiary	Amount Amount in Lakhs
1.	Reporting currency	-
2.	Share capital	-
3.	Reserves & surplus	-
4.	Total assets	-
5.	Total Liabilities (excluding Equity Share capital)	-
6.	Investments	-
7.	Turnover (Revenue from Operation)	-
8.	Profit before taxation	-
9.	Provision for taxation (Current Tax & Deferred Tax)	-
10.	Profit after taxation	-
11.	Proposed Dividend	-
12.	% of shareholding	-
Note: Patel Sethiyahopu -Cholopuram Highway Private Limited has been ceased to be subsidiary of the company w.e.f April 2019 due to allotment of shares.		
1. Names of subsidiaries which are yet to commence operations: N.A		
2. Names of subsidiaries which have been liquidated or sold during the year: N. A		

# Patel Highway Management Private Limited

CIN: U45203GJ2009PTC058178



Part "B": Associates and Joint Ventures: Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Sr. no.	Name of Associates/ Joint Ventures	*Patel Bridge Nirman Private Limited.(Rs. In Lakhs)	**Patel Sethiyahopu -Cholopuram Highway Private Limited (Rs. In Lakhs)
1.	Latest audited Balance Sheet Date	31 <sup>st</sup> March, 2022	31 <sup>st</sup> March, 2022
2.	Shares of Associate/Joint Ventures held by the company on the year end		
	No.	75,11,000 Equity Shares	2,00,00,000 Equity Shares
	Amount of Investment in Associates/Joint Venture	751.10	2000.00
	Extend of Holding %	*44.75%	**45.63%
3.	Description of how there is significant influence	Ownership of 20% or more of the voting Power	Ownership of 20% or more of the voting Power
4.	Reason why the associate/joint venture is not Consolidated	As per Rules 6 of the Companies (Accounts) Rules, 2014, Company is exempt from Consolidation as its ultimate holding Company i.e Patel Infrastructure Limited has filed Consolidated Balance Sheet with ROC and complied other provisions.	As per Rules 6 of the Companies (Accounts) Rules, 2014, Company is exempt from Consolidation as its ultimate holding Company i.e Patel Infrastructure Limited has filed Consolidated Balance Sheet with ROC and complied other provisions.
5.	Net worth attributable to Shareholding as per latest audited Balance Sheet.	3629.56	16,600.35
6.	Profit / Loss for the year (PAT)	238.67	9968.90
6(i).	Considered in Consolidation	—	—

# Patel Highway Management Private Limited

CIN: U45203GJ2009PTC058178



6(ii.)	Not Considered in Consolidation	—	—
<p>* (Patel Bridge Nirman Private Limited is Associate of Patel Infrastructure Limited, Whereas PIL having Direct Stake 29.25 % and rest 44.75 % Stake routed through its Wholly Own Subsidiary i.e Patel Highway Management Private Limited)</p> <p>** (Patel Sethiyahopu-Cholopuram Highway Private Limited is SPV of Patel Infrastructure Limited, Wherein PIL along with its Subsidiary Patel Highway Management Private Limited holding entire share capital.</p>			
<p>1. Names of associates or joint ventures which are yet to commence operations: N.A</p> <p>2. Names of associates or joint ventures which have been liquidated or sold during the year. N.A</p>			
Place: Vadodara Date: 29.09.2022			For and on behalf of Board Patel Highway Management Private Limited  Pravinbhai V. Patel - 00008911 Chairman & Director

# Patel Highway Management Private Limited

CIN: U45203GJ2009PTC058178



## Annexure – II: 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, 2022, 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 Lakhs)
Patel Infrastructure Limited – Holding Company	Sub - Contract Related Service	As per Sub - Contract	Sub – Contract Expanses	170.03
V.G Patel Foundation	Donation	Not Applicable	Donation	16.20

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

For and on behalf of Board  
Patel Highway Management Private Limited

Place: Vadodara  
Date: 29.09.2022

Pravinbhai V. Patel - 00008911  
Chairman & Director

**ANNUAL REPORT ON CSR ACTIVITIES FOR FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2022**

**Annexure -III**

**1. Brief outline on CSR Policy of the Company**

**Corporate Social Responsibility Philosophy:**

Patel Highway Management Pvt. Ltd. (PHMPL) believes in development, empowerment and upliftment of society. PHMPL envisages CSR as a way of conducting business which enables society in terms of helping needy people, keeping the environment clean and safe for the society by adopting best technologies. CSR is the commitment of business to contribute for sustainable economy development by working with the employees, local community and society at large to improve their lives in way that are good for business development. It is the Company's intent to make a positive contribution to the society in which the Company lives and operates

**Policy Objective:**

The objective of this Policy is to set a guiding principle for carrying out CSR activities by the Company and also to set up process of execution, implementation and monitoring of the CSR activities to be undertaken by the Company.

**CSR Committee - Dissolve**

Your Company has constituted a Corporate Social Responsibility (CSR) Committee consisting of the (i) Mr. Pravinbhai V. Patel and (ii) Mr. Arvind V. Patel. But due to amendment in Companies Act 2013 and rules made thereunder, company is no required CSR committee, and hence on JULY 29, 2021 board has decided to dissolve the CSR committee.

**Role of the Committee:** The Committee shall carry out of the following functions:

- (a) Recommend the CSR Policy and Annual Action Plan to the Board;
- (b) Monitor the CSR Policy of the Company from time to time;
- (c) Identify the projects/activities to be undertaken by the Company for CSR
- (d) Ensure compliance of CSR Policy and the Rules;
- (e) Recommend to the Board CSR Activities to be undertaken along with detailed plan, modalities of execution, implementation schedule, monitoring process, impact assessment and amount to be incurred on such activities;
- (f) Such other functions as may be delegated and/or assigned by the Board from time to time

**Implementation of CSR Activities**

i. The Company may undertake CSR Activities through a registered trust or society or any company, established by the Company, its holding or subsidiary company under Section 8 of the Act for such non-for-profit objectives.

Provided that the Company can carry out the CSR Activities through such other institutes having an established track record of 3 (three) years in undertaking the CSR Activities.

ii. The Company may collaborate with other companies for undertaking the CSR Activities subject to fulfillment of separate reporting requirements as prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014 (the "Rules").

iii. The CSR Activities shall not include any activity undertaken by the Company in pursuance of normal course of business of the Company.

iv. The Company shall not make any payment directly or indirectly to Political Party(ies) for CSR Activities

## 2. Composition of CSR Committee.

SL. No	Name of Director	Designation /Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Pravinbhai Vithalbhai Patel	Chairperson	1	1
2.	Mr. Arvind V. Patel	Member	1	1

Note: From JULY 29, 2021 CSR committee has been dissolved.

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company

Please see the link [https://www.patelinfra.com/images/policies/PIL\\_CSR\\_PIL.pdf](https://www.patelinfra.com/images/policies/PIL_CSR_PIL.pdf).

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report).

Not Applicable

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any,

SL. No	Financial Year	Amount available for set-off from preceding financial years (Rs. In Lacs)	Amount required to be set off for the financial year, if any (Rs. In Lacs)
-	-	Nil	-

6. Average net profit of the company as per section 135(5) : Rs.465.03 lakhs.

7.	Particular	Amount in Lacs.
(a)	Two percent of average net profit of the company of last three financial years as per section 135(5).	9.30
(b)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years.	0.00
(c)	Amount required to be set off for the financial year, if any	0.00

(d)	Total CSR obligation for the financial year (7a+7b-7c)	9.30
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8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in lacs.)	Amount Unspent				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount. (Rs. In Lakhs)	Date of transfer	Name of the Fund	Amount.	Date of transfer
9.30	--	--	--	--	--

(b) Details of CSR amount spent against ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)
SL. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes / No)	Location of the project		Project duration
				State	District	
01	Late Vithalbhai Gobarbhai Patel Foundation	Animal Welfare (iv) & other object of Schedule VII	Yes	Gujarat	Anand	3 Years (Including year of Commencement)

(7)	(8)	(9)	(10)	(11)	
Amount allocated for the project (in Rs.)	Amount spent in the current F.Y. (in Rs)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation – Through Implementing Agency	
				Name	CSR Registration number
9.30	9.30	0	No	Late Vithalbhai Gobarbhai Patel Foundation	CSR00002777

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

SL. No.	Name of the Project	Item from the list of activities in Schedule VII	Local area (Yes / No)	Location of the project		Amount spent for the project (Rs.in lacs)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation – Through Implementing Agency	
				Stat	Distric			Nam	CSR

		e VII to the Act		e	t			e	Registration Number
-	-	-	-	-	-	-	-	-	-

(d) Amount spent in Administrative Overheads: Nil

(e) Amount spent on Impact Assessment, if applicable: Nil

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): **9.30 lacs**

(g) Excess amount for set off, if any

SL. No	Particular	Amount (Rs. In lacs)
(i)	Two percent of the average net profit of the company of last three financial years as per section 135(5)	9.30
(ii)	Total amount spent for the Financial Year	9.30
(iii)	Excess amount spent for the financial year [(ii)-(i)]	0.00
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	0.00
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	0.00

9.(a) Details of Unspent CSR amount for the preceding three financial years:

SL. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (Rs. In lacs)	Amount spent in the reporting Financial Year (Rs. In lacs)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (Rs. In lacs)
				Name of the Fund	Amount (Rs. In lacs)	Date of transfer	
1	2020-21	6.90	6.90	-	-	-	-

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

SL. No.	Project ID.	Name of the Project	Financial Year in which the project was commenced.	Project duration.	Total amount allocated for the project (in Rs. In lacs)	Amount spent on the project in the reporting Financial Year (Rs. In lacs).	Cumulative amount spent at the end of reporting Financial Year. (Rs. In lacs)	Status of the project - Completed /Ongoing.
1	Late Vithalbh	Late Vithalbh	2021-22	3 Years (Including	6.90	6.90	6.90	ongoing



	ai Gobarbh ai Patel Foundati on	ai Gobarbh ai Patel Foundati on		year of Commencem ent				
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10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details). : Nil

- (a) Date of creation or acquisition of the capital asset(s). :
- (b) Amount of CSR spent for creation or acquisition of capital asset.
- (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.
- (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5).

Not Applicable

**Annexure – IV: 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 31/03/2022**

As on the financial year ended on 31/03/2022		
I	<b>REGISTRATION &amp; OTHER DETAILS:</b>	
i	CIN	U45203GJ2009PTC058178
ii	Registration Date	24-Sep-09
iii	Name of the Company	PATEL HIGHWAY MANAGEMENT PRIVATE LIMITED
iv	Category of the Company	Company Limited By Shares
v	<b>Address of the Registered office &amp; contact details</b>	
	Address :	"PATEL HOUSE", BESIDE PRAKRUTI RESORT, CHHANI ROAD, CHHANI.
	Town / City :	VADODARA
	State :	GUJARAT-391740
	Country Name :	India
	Telephone (with STD Code) :	0265- 277 6678
	Fax Number :	0265-277 7878
	Email Address :	<a href="mailto:ho@patelinfra.com">ho@patelinfra.com</a>
	Website, if any:	N.A
vi	Whether listed company	Unlisted

# Patel Highway Management Private Limited

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vii	<b>Name and Address of Registrar &amp; Transfer Agents ( RTA ):-</b>		
	Name of RTA:	N.A	
	Address :	N.A	
	Town / City :	N.A	
	State :	N.A	
	Pin Code:	N.A	
	Telephone :	N.A	
	Fax Number :	N.A	
	Email Address :	N.A	
II.	<b>PRINCIPAL BUSINESS ACTIVITY OF THE COMPANY</b>		1
	All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-		
Sl. No.	<b>Name and Description of main products / services</b>	<b>NIC Code of the Product / service</b>	<b>% to total turnover of the company</b>
1	Construction and Maintenance of Road ( Section F)	42	100%

# Patel Highway Management Private Limited

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III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -					
No. of Companies for which information is being filled				3	
Sr. No.	Name and Address of Company	CIN/GLN	Holding /Subsidiary /Associate	% of shares held	Applicable Section
1	Patel Infrastructure Limited	U45201GJ2004PLC043955	Holding Company	100.00%	2 ( 46)
2	Patel Bridge Nirman Private Limited.  (PBNPL is SPV Company of Patel Infrastructure Limited and Ajay Engi-Infrastructure Pvt. Ltd in the ratio of 74:26. Whereas, Patel Infrastructure Limited is Ultimate Holding Company having 29.25 % Stake and rest 44.75 % Stake routed through its Wholly Own Subsidiary Patel Highway Management Private Limited.	U45202GJ2011PTC066793	Associates Company	44.75 %	2 ( 6)
3	Patel Sethiyahopu-Cholopuram Highway Private Limited "PSCHPL"  (PSCHPL is SPV of Patel Infrastructure Limited, Wherein PIL along with its Subsidiary PHMPL holding entire share capital.)	U45309GJ2017PTC099497	Associates Company	45.63%	2 ( 6)

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IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)									
i. Category-wise Share Holding									
Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoter s</b>									
<b>(1) Indian</b>									
a) Individual/ HUF	-	-	-	-	-	-	-	-	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	75,00,000	-	75,00,000	100%	75,00,000	-	75,00,000	100%	0%
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
<b>(2) Foreign</b>									
a) NRI - Individual/	-	-	-	-	-	-	-	-	-
b) Other - Individual/	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Others	-	-	-	-	-	-	-	-	-
<b>Total shareholding of Promoter (A)</b>	<b>75,00,000</b>	<b>-</b>	<b>75,00,000</b>	<b>100%</b>	<b>75,00,000</b>	<b>-</b>	<b>75,00,000</b>	<b>100%</b>	<b>0%</b>

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

# Patel Highway Management Private Limited

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<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	-	-	-	-	-	-	-	-	-
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	-	-	-	-	-	-	-	-
c) Others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(2):-</b>	-	-	-	-	-	-	-	-	-
<b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>	-	-	-	-	-	-	-	-	-
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	<b>75,00,000</b>	<b>-</b>	<b>75,00,000</b>	<b>100%</b>	<b>75,00,000</b>	<b>-</b>	<b>75,00,000</b>	<b>100%</b>	<b>-</b>

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ii Shareholding of Promoters								
SI No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	M/s. Patel Infrastructure Pvt. Ltd.	7,499,900	100.00%	100%	7,499,900	100.00%	100%	0%
2	Mr. Pravinbhai Vithalbhai Patel ( Nominee of Patel Infrastructure Limited)	100	Negligible	Negligible	100	Negligible	Negligible	0%
	<b>TOTAL</b>	<b>75,00,000</b>	<b>100.00%</b>	<b>0%</b>	<b>75,00,000</b>	<b>100.00%</b>	<b>100%</b>	<b>0%</b>



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iii Change in Promoters' Shareholding ( please specify, if there is no change)					
	Name of shareholder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	<b>Patel Infrastructure Limited</b>				
	At the beginning of the year	-	-	-	-
	Changes During the year	-	-	-	-
	At the end of the year	-	-	-	-
2.	<b>Pravinbhai Vithalbhai Patel</b>				
	At the beginning of the year	-	-	-	-
	Changes During the year	-	-	-	-
	At the end of the year	-	-	-	-
Note: There is no change in Promoter Shareholding Pattern during the Year.					

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

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v.	Shareholding of Directors and Key Managerial Personnel: For each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	<b>Pravinbhai Vithalbhai Patel – Director</b>				
	At the beginning of the year	100	-	100	-
	Changes During the year	-	-	-	-
	At the end of the year	100	-	100	-
2.	<b>Arvind Vithalbhai Patel – Director</b>				
	At the beginning of the year	-	-	-	-
	Changes During the year	-	-	-	-
	At the end of the year	-	-	-	-

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V. INDEBTEDNESS ( In Lakhs)				
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	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	-	-	-
Change in Indebtedness during the financial year	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
* Addition	-	-	-	-
* Reduction	-	-	-	-
<b>Net Change</b>	-	-	-	-
Indebtedness at the end of the financial year	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	-	-	-

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VI.	REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL					
A.	<i>Remuneration to Managing Director, Whole-time Directors and/or Manager:</i> Not Applicable as Company has not appointed any Managing Director, Whole Time Directors and /or Manager.					
B.	<i>Remuneration to other directors:</i> Not Applicable as Company has not appointed any Independent and not paid any remuneration to Non-Executive Directors					
Overall Ceiling as per the Act - Not Applicable as company is Private Limited Company.						
C.	REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD					
			Key Managerial Personnel ( In Lakhs)			
	Sl. no.	Particulars of Remuneration	CEO	Company Secretary	CFO	Total
	1	Gross salary	-	-	-	-
		(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-	-
		(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	-	-	-	-

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

Date: 29.09.2022  
Place: Vadodara

Pravinbhai V. Patel  
Chairman & Director  
DIN: 00008911

## INDEPENDENT AUDITOR'S REPORT

To,  
The Members of,  
**PATEL HIGHWAY MANAGEMENT PRIVATE LIMITED**  
CIN - U45203GJ2009PTC058178  
Vadodara

### Report on the Audit of the Standalone Financial Statements

#### Opinion

We have audited the Standalone financial statements of **PATEL HIGHWAY MANAGEMENT PRIVATE LIMITED** (“the Company”), which comprise the Balance Sheet as at 31st March 2022, and 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 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 Standards) Rules, 2015, as amended, (“Ind AS”) and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and its Profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor’s Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India 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 our opinion.

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

The Company's Board of Directors are responsible for the preparation and presentation of other information. The other information comprises the information included in the report of Board of Directors and its committees, but does not include the Standalone Financial Statements and auditor's report thereon.

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

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

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

## **Responsibility of the Management and those charged with the Governance for the Standalone Financial Statements**

The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the presentation of these Standalone Ind AS financial statements that gives a true and fair view of the financial position, financial performance, including other comprehensive income, changes in equity, and cash flows of the company in accordance with the Ind AS and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors are also 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 the Board of Directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

## **Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

We also:

- (a) Identify and assess the risks of material misstatement of the Standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- (b) 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.
- (c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- (d) Conclude 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.
- (e) Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

#### **Report on Other Legal and Regulatory Requirements**

1. As required by Section 143(3) of the Act, 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 Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid Standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
- e) On the basis of the written representations received from the directors as on 31st March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.

- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure A”. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the company’s internal financial controls over financial reporting.
- g) As being Private Limited Company, the requirement of the other matters to be included in the Independent Auditor’s Report in accordance with the requirements of section 197(16) of the Act, as amended is not applicable.
- h) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - (i) The Company does not have any pending litigations having impact on its financial position.
  - (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - (iv)
    - (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
    - (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- (v) The company has not declared or paid dividend during the year, hence compliance with section 123 of the Companies Act, 2013 is not applicable.
2. As required by the Companies (Auditor's Report) Order, 2020 (the "Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in "Annexure - B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

Date: August 05, 2022  
Place: Ahmedabad

**Per, Vidhan Surana**  
Partner  
Membership No: 041841  
**UDIN: 22041841AOMAGL6473**

## **Annexure 'A'**

### **Annexure to the Independent Auditor's Report of even date on the Standalone Ind AS Financial Statements of Patel Highway Management Private 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 Highway Management Private Limited** ("the Company") (CIN - U45203GJ2009PTC058178) as of March 31st, 2022 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 Management of company 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") issued by the ICAI and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Standalone 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 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, to the best of our information and explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31st, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note 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

Date: August 05, 2022  
Place: Ahmedabad

**Per, Vidhan Surana**  
Partner  
Membership No: 041841  
**UDIN: 22041841AOMAGL6473**

## Annexure - 'B'

### Annexure to the Independent Auditors' Report of even date on the Financial Statements of "Patel Highway Management Private Limited"

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Patel Highway Management Private Limited of even date)

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

- (i) In respect of the Company's Property, Plant and Equipment and Intangible Assets:
  - (a) A. The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
    - B. The Company does not have any Intangible assets, accordingly reporting under clause 3(i)(a)(B) of the Order is not applicable.
  - (b) The Company has a program of physical verification of Property, Plant and Equipment so to cover all the assets once every year which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
  - (c) As on the Balance sheet date, the company does not own any Immovable property, accordingly reporting under clause (3)(i)(c) of the Order is not applicable.
  - (d) According to the information and explanations given to us, we report that the Company has not revalued any of its Property, Plant and Equipment during the year.
  - (e) As on the Balance sheet date, the Company does not have any immovable properties, accordingly reporting under benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) with respect to title deeds is not applicable.
- (ii)
  - (a) The Company does not have any inventory, accordingly reporting under clause 3(ii)(a) of the Order is not applicable.
  - (b) The Company has not been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets, accordingly reporting under clause 3(ii)(b) of the Order is not applicable.
- (iii) The Company has not made any investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties, during the year, therefore the further reporting requirement of paragraph 3(iii) of the Order is not applicable.

- (a) The Company has not provided any loans or advances in the nature of loans or stood guarantee, or provided security to any other entity during the year, accordingly reporting under clause 3(iii)(a) of the Order is not applicable.
- (b) The Company has not made any investments, accordingly reporting under clause 3(iii)(b) of the Order is not applicable.
- (c) The Company has not granted any loans, accordingly reporting under clause 3(iii)(c) of the Order is not applicable.
- (d) The Company has not granted any loans, accordingly reporting under clause 3(iii)(d) of the Order is not applicable.
- (e) The Company has not granted any loans, accordingly reporting under clause 3(iii)(e) of the Order is not applicable.
- (f) The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year accordingly, reporting under clause 3(iii)(f) is not applicable.

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

- (iv) The Company has not given loans or made investments or provided guarantees or security, attracting the provisions of sections 185 and 186 of the Act, accordingly 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 (including deemed 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) The company is not required to maintain cost records specified by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and hence reporting with the respect to maintenance of cost is not applicable.
- (vii) In respect of statutory dues:
  - (a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities. There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2022 for a period of more than six months from the date they became payable.
  - (b) According to the information given and documents submitted to us, we report that statutory due referred to in sub-clause (a) above which have not been deposited as on March 31, 2022 on account of disputes are given below:



Name of the Statute	Amount Demanded (Rs. In Lakhs)	Amount under Dispute Deposited	Period to which the amount relates	Forum where the dispute is pending
Bombay Stamp Act	8.83	-	23th July 2013	High Court of Gujarat, Ahmedabad
Income Tax Act, 1961	1786.89		A.Y. 2017-18	CIT- Appeals
Income Tax Act, 1961	738.70		A.Y. 2012-13	Appeal pending with Gujarat High Court
Income Tax Act, 1961	250.30		A.Y. 2013-14	Appeal Pending with Income Tax Appellate Tribunal, Rajkot
Income Tax Act, 1961	2299.51		A.Y. 2018-19	Stayed at Gujarat High Court

- (viii) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- (ix) According to the information and explanation given to us:
- The Company has not taken any loans or other borrowings from any lender. Hence reporting under clause 3(ix)(a) of the Order is not applicable.
  - the Company has not been declared willful defaulter by any bank or financial institution or other lender.
  - The Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.
  - on an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima face, not been used during the year for long-term purposes by the Company.
  - on an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
  - The Company has not raised any loans during the year and hence reporting on clause 3(ix)(f) of the Order is not applicable.

- (x)
  - (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year, accordingly reporting under clause 3(x)(a) of the Order is not applicable.
  - (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally), accordingly reporting under clause 3(x)(b) of the Order is not applicable.
- (xi)
  - (a) According to the information available with us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
  - (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
  - (c) As represented to us by the management, there were no whistle blower complaints received by the Company during the year, accordingly reporting under clause 3(xi)(c) of the Order is not applicable.
- (xii) The Company is not a Nidhi Company and hence reporting under Clause 3(xii) of the Order are not applicable to the Company.
- (xiii) As per information given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- (xiv)
  - (a) As per information and explanation given to us, requirement of Internal Audit is not applicable to the company, accordingly reporting under clause (3)(xiv)(a) of the Order is not applicable.
  - (b) As per information and explanation given to us, requirement of Internal Audit is not applicable to the company, accordingly reporting under clause (3)(xiv)(b) of the Order is not applicable.
- (xv) In our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors, and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

- (xvi)
- (a) According to the information given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.
  - (b) According to the information given to us, there is no Core Investment Company (CIC) within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- (xvii) As per the information given to us, the Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx)
- (a) Provisions of section 135 of the Companies Act, 2013 with respect to Corporate Social Responsibility (CSR) is not applicable to the company, Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.
  - (b) Provisions of section 135 of the Companies Act, 2013 with respect to Corporate Social Responsibility (CSR) is not applicable to the company, Accordingly, reporting under clause 3(xx)(b) of the Order is not applicable for the year.

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

**Per, Vidhan Surana**  
Partner  
Membership No: 041841  
**UDIN: 22041841AOMAGL6473**

Date: August 05, 2022  
Place: Ahmedabad

( ₹ in Lakhs)

Particulars	Note No.	As at March 31, 2022	As at March 31, 2021
<b>I. ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Property, Plant and Equipment	5	85.74	133.87
(b) Financial Assets			
(i) Investments	6	4,901.10	4,901.10
(ii) Other Non-current financial assets	7	212.42	200.77
(c) Deferred Tax Assets (Net)	8	454.67	461.52
<b>Total Non-current Assets</b>		<b>5,653.93</b>	<b>5,697.26</b>
<b>2 Current assets</b>			
(a) Financial Assets			
(i) Trade receivables	9	514.65	563.55
(ii) Cash and cash equivalents	10	13.31	71.34
(iii) Other current financial assets	11	187.18	187.18
(b) Current tax assets (Net)	12	481.62	478.62
(c) Other current assets	13	21.95	59.76
<b>Total Current assets</b>		<b>1,218.71</b>	<b>1,360.45</b>
<b>TOTAL ASSETS</b>		<b>6,872.64</b>	<b>7,057.71</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>1 Equity</b>			
(a) Equity share capital	14	750.00	750.00
(b) Other Equity	15	5,747.21	5,748.59
<b>Total Equity</b>		<b>6,497.21</b>	<b>6,498.59</b>
<b>2 Liabilities</b>			
<b>3 Current liabilities</b>			
(a) Financial Liabilities			
(i) Trade payables	16		
(A) Total outstanding dues of Micro enterprises and Small Enterprises.		-	-
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises.		336.52	510.64
(ii) Other current financial liabilities	17	23.79	30.07
(b) Other current liabilities	18	15.11	18.41
<b>Total Current liabilities</b>		<b>375.42</b>	<b>559.12</b>
<b>Total Liabilities</b>		<b>375.42</b>	<b>559.12</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>6,872.64</b>	<b>7,057.71</b>

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 Highway Management Private Limited**  
CIN: U45203GJ2009PTC058178

**Per, Vidhan Surana**  
Partner  
Membership No.: 041841

**Pravinbhai Patel**  
Director  
DIN: 00008911

**Arvind Patel**  
Director  
DIN: 00009089

Place : Ahmedabad  
Date : August 05 , 2022

Place : Vadodara  
Date : August 05 , 2022

Patel Highway Management Private Limited

CIN: U45203GJ2009PTC058178

Profit and loss statement for the year ended on 31st March, 2022

( ₹ in Lakhs)

Particulars		Note No.	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>I</b>	<b>Revenue</b>			
	Revenue from Operations	<b>19</b>	223.73	510.00
	Other Income	<b>20</b>	19.99	832.34
	<b>Total Income</b>		<b>243.72</b>	<b>1,342.34</b>
<b>II</b>	<b>Expenses</b>			
	Operation and Maintenance Expense	<b>21</b>	170.03	457.11
	Employee Benefits Expense	<b>22</b>	-	0.30
	Finance costs	<b>23</b>	0.13	0.70
	Depreciation	<b>5</b>	27.28	38.91
	Other Expenses	<b>24</b>	38.12	19.58
	<b>Total Expenses</b>		<b>235.56</b>	<b>516.61</b>
<b>III</b>	<b>Profit Before Tax</b>		<b>8.16</b>	<b>825.73</b>
<b>IV</b>	<b>Tax expense:</b>			
	(1) Deferred Tax	<b>32</b>	6.85	37.57
	(2) Excess / (Short) provision of earlier periods	<b>32</b>	2.70	-
<b>V</b>	<b>Profit /(Loss) After Tax</b>		<b>(1.38)</b>	<b>788.16</b>
	<b>Other comprehensive income</b>		-	-
	<b>Total comprehensive income for the Year</b>		<b>(1.38)</b>	<b>788.16</b>
<b>VI</b>	<b>Earnings per equity share (EPS)</b>			
	Basic and Diluted			
	Profit attributable to equity shareholders		(1.38)	788.16
	Weighted average number of equity shares outstanding during the year (Refer Note 28)		75,00,000	75,00,000
	Nominal value of equity share		10.00	10.00
	Basic and Diluted Earning per Share (EPS)	<b>28</b>	(0.02)	10.51

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 Highway Management Private Limited**

CIN: U45203GJ2009PTC058178

**Per, Vidhan Surana**

Partner

Membership No.: 041841

Place : Ahmedabad

Date : August 05 , 2022

**Pravinbhai Patel**

Director

DIN: 00008911

Place : Vadodara

Date : August 05 , 2022

**Arvind Patel**

Director

DIN: 00009089

( ₹ in Lakhs)

Particulars		For the year ended March 31, 2022	For the year ended March 31, 2021
A	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
	Restated Net Profit after Extraordinary items and before Tax	8.16	825.73
	<b>Adjustment for:</b>		
	Depreciation and Amortisation Expense	27.28	38.91
	(Profit) / Loss on Sale of Items of Property, Plant and Equipment	4.46	-
	Interest and other borrowing cost	0.13	0.70
	Interest income on FDRs	(12.18)	(12.91)
	Dividend Income	-	(811.19)
	<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	<b>27.85</b>	<b>41.25</b>
	<b>Adjustment For Working Capital Changes:</b>		
Changes in Trade Receivables	48.90	(505.02)	
Changes in Financial Assets and Other Assets	37.12	8.23	
Changes in Financial Liabilities and Other Payables	(183.69)	509.20	
<b>CASH GENERATED FROM OPERATIONS</b>	<b>(69.82)</b>	<b>53.66</b>	
Direct Taxes paid (Net)	(5.70)	(21.11)	
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>(75.52)</b>	<b>32.55</b>	
B	<b>CASH FLOW FROM INVESTING ACTIVITIES:</b>		
	Purchase of Property Plant and Equipment (including advances for capital expenditure)	-	1.76
	Sale of Items of Property Plant and Equipment	16.40	-
	Dividend paid during the year	-	(900.00)
	Interest income on FDRs	12.18	12.91
	Dividend Income	-	811.19
	Changes in FDRs other than Cash and Cash Equivalents	(10.96)	(11.94)
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>17.62</b>	<b>(86.08)</b>	
C	<b>CASH FLOW FROM FINANCING ACTIVITIES:</b>		
	Interest and other borrowing cost	(0.13)	(0.70)
	<b>NET CASH GENERATED FROM/ (USED IN) FINANCING ACTIVITIES</b>	<b>(0.13)</b>	<b>(0.70)</b>
	<b>NET INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(58.03)</b>	<b>(54.23)</b>
	<b>OPENING BALANCE- CASH AND CASH EQUIVALENT</b>	<b>71.34</b>	<b>125.57</b>
	<b>CLOSING BALANCE- CASH AND CASH EQUIVALENT</b>	<b>13.31</b>	<b>71.34</b>

**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:

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Balances with banks:	11.87	71.30
Cash on hand	1.44	0.04
<b>Cash and cash equivalents</b>	<b>13.31</b>	<b>71.34</b>

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 Highway Management Private Limited**

CIN: U45203GJ2009PTC058178

**Per, Vidhan Surana**

Partner

Membership No.: 041841

Place : Ahmedabad

Date : August 05 , 2022

**Pravinbhai Patel**

Director

DIN: 00008911

Place : Vadodara

Date : August 05 , 2022

**Arvind Patel**

Director

DIN: 00009089

**A. Equity Share Capital**

( ₹ in Lakhs)

Balance as at April 1, 2021	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of April 1,2021	Changes in equity share capital during the year 2021-22	Balance as at March 31, 2022
750.00	-	750.00	-	750.00

Balance as at April 1, 2020	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of April 1,2020	Changes in equity share capital during the year 2020-21	Balance as at March 31, 2021
750.00	-	750.00	-	750.00

**B. Other Equity**

( ₹ in Lakhs)

Particulars	Reserves and Surplus	
	Retained Earnings	Total
<b>Balance as at April 1, 2020</b>	<b>5,860.43</b>	<b>5,860.43</b>
Changes in Equity Share Capital due to prior period errors	-	-
Restated balance at the beginning of April 1,2020	-	-
Dividend Distribution during the year	900.00	900.00
Profit Transfer to Retained Earnings	788.16	788.16
Remeasurement of defined benefit obligation not required	5,860.43	5,860.43
<b>Balance at the end of the year March 31, 2021</b>	<b>5,748.59</b>	<b>5,748.59</b>
<b>Balance as at April 1, 2021</b>	<b>5,748.59</b>	<b>5,748.59</b>
Changes in Equity Share Capital due to prior period errors	-	-
Restated balance at the beginning of April 1,2021	-	-
Dividend Distribution during the year	-	-
Profit Transfer to Retained Earnings	(1.38)	(1.38)
<b>Balance at the end of the year March 31, 2022</b>	<b>5,747.21</b>	<b>5,747.21</b>

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 Highway Management Private Limited**  
CIN: U45203GJ2009PTC058178

**Per, Vidhan Surana**

Partner  
Membership No.: 041841

**Pravinbhai Patel**

Director  
DIN: 00008911

**Arvind Patel**

Director  
DIN: 00009089

Place : Ahmedabad  
Date : August 05 , 2022

Place : Vadodara  
Date : August 05 , 2022

## Notes to Standalone Financial Statements

### 1. CORPORATE INFORMATION

Patel Highway Management Private Limited ('the Company'), incorporated in 2009 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 – 391740. The company is engaged in the business of construction of roads and highways, and other ancillary services like toll collection, operation and maintenance of highways.

#### 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 August 05, 2022.

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 (₹), 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.

### 2. 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.



## Notes to Standalone Financial Statements

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 31.

- **Current / Deferred Tax Expense**

Significant management judgement is required to determine the amounts of current taxes, deferred taxes and tax credits that can be recognized, 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 survey of work undertaken by qualified professionals, percentage of completion for each project is derived. Accordingly, based on percentage of work completed, contract revenue is recognized in the financial statements.

## Notes to Standalone 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.

### 3. 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	Useful life
Plant and Equipment	3-15 Years
Furniture and Fixtures	10 Years
Vehicles	8-10 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 recognized in profit or loss.

## Notes to Standalone Financial Statements

### b. 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 recognized 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 recognized and classified as intangible assets. Such an intangible asset is recognized 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 derecognized 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.

- **Amortization**

The intangible rights which are recognized 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 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 recognized 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

## Notes to Standalone Financial Statements

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 recognized 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 recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

### d. 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.

### e. 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.

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

- **Revenue from Contracts with customers**

Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

- **Revenue under Service Concession Arrangements**

Income from Toll Operations is recognized 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.

## Notes to Standalone Financial Statements

### 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 recognized 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 recognized in profit or loss in the period of a plan amendment.

- **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 recognized 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.

### g. Income Tax

Income tax comprises of current tax and deferred tax. It is recognized in the profit and loss statement, except to the extent that it relates to 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 income-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 has opted for new tax regime Pursuant to Taxation Law (Amendment) Ordinance, 2019 ("Ordinance") issued by Ministry of Law and Justice (Legislation Department) on September 20, 2019

## Notes to Standalone Financial Statements

and which is effective from April 1, 2019, domestic companies have an option to pay corporate Income Tax @ 22% + Surcharge and Cess ("New Tax Rate") subject to certain conditions as per section 115BAA of the Income Tax Act, 1961. Since, the company has opted for new tax regime no Minimum Alternate Tax would be applicable now onwards.

- **Deferred Tax**

Deferred tax is recognized 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 recognized 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 utilized. 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 realized simultaneously.

Any tax credit available is recognized 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 engaged in the business of construction, operation and maintenance of toll roads and accordingly the entire business as a whole is monitored by the Chief operating decision maker. Accordingly, the company has no other reportable segments.

### **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.

## Notes to Standalone Financial Statements

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 an 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 recognized 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.

## Notes to Standalone Financial Statements

- **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 recognized 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 recognized initially at fair value. All financial liabilities are recognized 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:



## Notes to Standalone Financial Statements

- **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 recognized 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 recognized in profit or loss when the liabilities are derecognized 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 derecognized from its balance sheet when, and only when, it is extinguished i.e. when the obligation specified in the contract is discharged or cancelled or expired.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized 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 recognized amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

## **k. 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.

## Notes to Standalone Financial Statements

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 recognized 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)

### I. 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.

## Notes to Standalone Financial Statements

### m. 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.

## 4. RECENT ACCOUNTING PRONOUNCEMENTS

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

### a. Ind AS 16: Property Plant and equipment

The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognized in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022. The Company has evaluated the amendment and there is no impact on its Standalone financial statements.

### b. Ind AS 37: Provisions, Contingent Liabilities and Contingent Assets

The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labor, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022, although early adoption is permitted. The Company has evaluated the amendment and the impact is not expected to be material.

### c. Ind AS 109: Financial Instruments

The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022. The Company has evaluated the amendment and there is no impact on its Standalone financial statements.

(₹ in Lakhs)

Gross block	Property, Plant & Equipment								Total PPE
	Plant & Machinery	Earth Movers	Computers	Two Wheelers	Furniture & Fixtures	Motor Vehicles	Office Equipment	Motor Lorries	
Balance as at April 1, 2020	82.16	32.18	14.83	0.02	19.32	151.64	46.57	44.77	391.48
Additions	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-
<b>Balance as at March 31, 2021</b>	<b>82.16</b>	<b>32.18</b>	<b>14.83</b>	<b>0.02</b>	<b>19.32</b>	<b>151.64</b>	<b>46.57</b>	<b>44.77</b>	<b>391.48</b>
Balance as at April 1, 2021	82.16	32.18	14.83	0.02	19.32	151.64	46.57	44.77	391.48
Additions	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	46.92	-	-	46.92
<b>Balance as at March 31, 2022</b>	<b>82.16</b>	<b>32.18</b>	<b>14.83</b>	<b>0.02</b>	<b>19.32</b>	<b>104.72</b>	<b>46.57</b>	<b>44.77</b>	<b>344.56</b>

Accumulated depreciation	Property, Plant & Equipment								Total PPE
	Plant & Machinery	Earth Movers	Computers	Two Wheelers	Furniture & Fixtures	Motor Vehicles	Office Equipment	Motor Lorries	
Balance as at April 1, 2020	41.55	27.00	11.40	0.01	9.91	56.91	38.36	33.55	218.69
Depreciation for the year	7.26	1.77	1.51	0.00	2.05	19.23	3.75	3.36	38.91
Disposals	-	-	-	-	-	-	-	-	-
<b>Balance as at March 31, 2021</b>	<b>48.81</b>	<b>28.76</b>	<b>12.91</b>	<b>0.01</b>	<b>11.96</b>	<b>76.14</b>	<b>42.11</b>	<b>36.90</b>	<b>257.61</b>
Balance as at April 1, 2021	48.81	28.76	12.91	0.01	11.96	76.14	42.11	36.90	257.61
Depreciation for the year	7.24	-	0.03	-	1.77	13.73	1.15	3.36	27.28
Disposals	-	-	-	-	-	26.06	-	-	26.06
<b>Balance as at March 31, 2022</b>	<b>56.06</b>	<b>28.76</b>	<b>12.94</b>	<b>0.01</b>	<b>13.72</b>	<b>63.81</b>	<b>43.26</b>	<b>40.26</b>	<b>258.83</b>

Carrying Amount (Net)	Property, Plant & Equipment								Total PPE
	Plant & Machinery	Earth Movers	Computers	Two Wheelers	Furniture & Fixtures	Motor Vehicles	Office Equipment	Motor Lorries	
As at March 31, 2021	33.35	3.42	1.92	0.00	7.36	75.50	4.45	7.87	133.87
As at March 31, 2022	26.10	3.42	1.88	0.00	5.59	40.92	3.30	4.51	85.74

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Depreciation on Property, Plant and Equipment	27.28	38.91
<b>Total :</b>	<b>27.28</b>	<b>38.91</b>

- (a) The Company has neither given nor taken any assets on finance lease.  
(b) Individual assets of Property, Plant and Equipment has been reclassified wherever necessary.  
(c) On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment (PPE) recognised as at April 1, 2016 measured as per the previous Indian GAAP and used that carrying value as the deemed cost of the PPE.

**Note 6 : Investments**

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Investment in Fellow subsidiaries</b>		
<b>Equity instruments - Unquoted</b>		
75,00,000 Equity Shares in Patel Bridge Nirman Private Limited, of Rs. 10 fully paid up	751.10	751.10
2,00,00,000 Equity Shares in Patel Shethiyahopu Cholapuram Highway Private Limited, of Rs. 10 fully paid up	2,000.00	2,000.00
<b>Investment in Fellow Subsidiaries</b>		
<b>In Other Equity</b>		
Patel Shethiyahopu Cholapuram Highway Private Limited	2,150.00	2,150.00
<b>Total</b>	<b>4,901.10</b>	<b>4,901.10</b>

Note 6.1 : Refer Note 25 for Related party transactions and outstanding balances.

**Note 7 : Other Non current financial assets**

Particulars	As at March 31, 2022	As at March 31, 2021
Fixed Deposits - Maturing after 12 months from reporting date	209.39	198.43
Security Deposit and retention money	3.03	2.34
<b>Total</b>	<b>212.42</b>	<b>200.77</b>

\*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, 2022	As at March 31, 2021
<b>Deferred Tax Assets</b>		
Provision for Gratuity		-
MAT Credit Entitlement	473.52	473.52
Unutilised tax losses to be carried forward	-	-
<b>Less: Deferred Tax Liabilities</b>		
Excess of depreciation and amortization on fixed assets under income tax law over depreciation and amortization provided in accounts	18.85	12.00
<b>Net Deferred Tax Assets</b>	<b>454.67</b>	<b>461.52</b>

**Note 9 : Trade receivables**

Particulars	As at March 31, 2022	As at March 31, 2021
Unsecured, considered good	514.65	563.55
<b>Total</b>	<b>514.65</b>	<b>563.55</b>

Note 9.1 : Refer Note 25 for Related party transactions and outstanding balances.

Note 9.2 Refer Note 9.2 for Trade receivables ageing schedule for the years ended as on March 31, 2022 and March 31, 2021

Patel Highway Management Private Limited  
CIN: U45203GJ2009PTC058178  
Notes to Standalone Financial Statement  
Note 9.2 Trade Receivables Ageing Schedule

( ₹ In Lakhs)

Particulars	As at 31 st March,2022					
	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	246.10	268.55	-	-	-	514.65
(ii) Undisputed Trade Receivables – considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade Receivables considered good	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered doubtful	-	-	-	-	-	-

( ₹ In Lakhs)

Particulars	As at 31 st March,2021					
	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	563.55	-	-	-	-	563.55
(ii) Undisputed Trade Receivables – considered doubtful	-	-	-	-	-	-
(iii) Disputed Trade Receivables considered good	-	-	-	-	-	-
(iv) Disputed Trade Receivables considered doubtful	-	-	-	-	-	-

**Note 10 : Cash and Cash Equivalents**

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Cash and Cash Equivalents</b>		
a) Balance with banks		
- In Current Accounts*	11.87	71.30
b) Cash on hand	1.44	0.04
<b>Total</b>	<b>13.31</b>	<b>71.34</b>

\* Including balance in Escrow account of Rs. 0.00 Lakh (P.Y. 41.79 Lakhs).

**Note 11 : Other Current financial assets**

Particulars	As at March 31, 2022	As at March 31, 2021
Security deposits and retention money	187.18	187.18
<b>Total</b>	<b>187.18</b>	<b>187.18</b>

Note 11.1 : Refer Note 25 for Related party transactions and outstanding balances.

**Note 12 : Current tax assets (Net)**

Particulars	As at March 31, 2022	As at March 31, 2021
Current tax assets	481.62	478.62
<b>Current tax assets (Net)</b>	<b>481.62</b>	<b>478.62</b>

**Note 13 : Other current assets**

Particulars	As at March 31, 2022	As at March 31, 2021
Advance to Suppliers	21.71	59.22
Other current assets	0.24	0.54
<b>Total</b>	<b>21.95</b>	<b>59.76</b>

**Note 14 : Equity Share capital**

**a) Authorized, Issued, Subscribed & Paid up Share Capital**

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Authorised:</b>		
75,00,000 Equity Shares of Rs.10/- each	750.00	750.00
<b>Issued, Subscribed &amp; fully Paid up :</b>		
75,00,000 Equity Shares of Rs.10/- each	750.00	750.00
<b>Total</b>	<b>750.00</b>	<b>750.00</b>

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

Particulars	As at March 31, 2022	As at March 31, 2021
Equity Shares at the beginning of the year (In Number)	75,00,000	75,00,000
Add: Issued during the year	-	-
<b>Equity Shares at the end of the year (In Number)</b>	<b>75,00,000</b>	<b>75,00,000</b>

Particulars	As at March 31, 2022	As at March 31, 2021
Equity Shares at the beginning of the year (In Amount)	7,50,00,000	7,50,00,000
Add: Issued during the year	-	-
<b>Equity Shares at the end of the year (In Amount)</b>	<b>7,50,00,000</b>	<b>7,50,00,000</b>

**c) Rights of Shareholders and Repayment of Capital**

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 held by holding company and its subsidiaries:-**

Particulars	As at March 31, 2022	As at March 31, 2021
Patel Infrastructure Limited*	75,00,000	75,00,000

\* Includes 100 shares held by nominee of Patel Infrastructure Limited

There are no shares which are reserved to be issued under options and there are no securities issued/ outstanding which are convertible into equity shares.

**e) Share holding of promoters:**

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

Name of Promoter	No. of shares	% of Total Shares	% of change during the year
Patel Infrastructure Private Limited	74,99,900	100.00	NIL
Pravinbhai V Patel	100	0.00	NIL

The details of the shares held by promoters as at March 31, 2021 are as follows:

Name of Promoter	No. of shares	% of Total Shares	% of change during the year
Patel Infrastructure Private Limited	74,99,900	100.00	NIL
Pravinbhai V Patel	100	0.00	NIL

**Note 15 : Other Equity**

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Retained earnings - Surplus of Profit and Loss</b>		
Balance at the beginning of the year	5,748.59	5,860.43
Interim Dividend distribution during the year	-	(900.00)
Profit Transfer to Retained Earnings	(1.38)	788.16
Remeasurement of defined benefit obligation no more required	-	-
<b>Balance at the end of the year</b>	<b>5,747.21</b>	<b>5,748.59</b>
<b>Total Other Equity</b>	<b>5,747.21</b>	<b>5,748.59</b>

**Note 16 : Trade payables**

Particulars	As at March 31, 2022	As at March 31, 2021
(a) To Micro, Small and Medium Enterprises (Refer Note 16.2)	-	-
(b) Others	336.52	510.64
<b>Total</b>	<b>336.52</b>	<b>510.64</b>

Note 16.1 : Trade Payable are payable on account of goods purchased and services availed in the normal course of business.

Note 16.2 : 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.

Note 16.3 : Refer Note 25 for Related party transactions and outstanding balances.

Note 16.4 Refer Note 16.4 for Trade payables ageing schedule for the years ended as on March 31, 2022 and March 31, 2021



Patel Highway Management Private Limited

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Notes to Standalone Financial Statement

Note 16.4 Trade Payable Ageing Schedule

( ₹ in Lakhs)

Particulars	As at 31 st March,2022				
	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-
(ii) Others	333.92	2.60	-	-	336.52
(iii) Disputed dues-MSME	-	-	-	-	-
(iv) Disputed dues-Others	-	-	-	-	-

( ₹ in Lakhs)

Particulars	As at 31 st March,2021				
	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	-	-	-	-
(ii) Others	509.66	-	0.89	0.08	510.64
(iii) Disputed dues-MSME	-	-	-	-	-
(iv) Disputed dues-Others	-	-	-	-	-

**Note 17 : Other current financial liabilities**

Particulars	As at March 31, 2022	As at March 31, 2021
Security Deposits & Retention Money	23.79	30.07
<b>Total</b>	<b>23.79</b>	<b>30.07</b>

**Note 18 : Other current liabilities**

Particulars	As at March 31, 2022	As at March 31, 2021
Statutory liabilities	9.07	12.37
Mobilisation advance received from NHAI	6.04	6.04
<b>Total</b>	<b>15.11</b>	<b>18.41</b>

**Note 19 : Revenue from Operations**

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>Revenue from Sale of Services</b>		
Work Income	223.73	510.00
<b>Total</b>	<b>223.73</b>	<b>510.00</b>

Note 19.1 Refer Note 25 for Related party transactions.

**Note 20 : Other Income**

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest on Deposits with Banks	12.18	12.91
Other Interest	0.10	3.44
Dividend Income	-	811.19
Insurance Claim Received	-	4.80
Miscellaneous Income	7.71	-
<b>Total</b>	<b>19.99</b>	<b>832.34</b>

Note 20.1 Refer Note 25 for Related party transactions.

**Note 21 : Operation and Maintenance Expense**

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Works and Labour contract expense	170.03	457.11
<b>Total</b>	<b>170.03</b>	<b>457.11</b>

Note 21.1 Refer Note 25 for Related party transactions.

**Note 22 : Employee Benefits Expenses**

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Salaries, Wages and Incentives	-	0.30
<b>Total</b>	<b>-</b>	<b>0.30</b>

Note 22.1 Refer Note 25 for Related party transactions.

**Note 23 : Finance Costs**

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Other Borrowing Costs (*)	0.13	0.70
<b>Total</b>	<b>0.13</b>	<b>0.70</b>

\*(P.Y. Amount Rs 345/- )

**Note 24 : Other Expenses**

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Payment to Auditors (Refer Note 30)	1.50	1.50
Electricity Expenses	7.29	6.79
Rates and Taxes	0.09	6.12
Insurance	4.41	3.48
Communication Expenses	0.12	0.18
Donations (Refer Note 25)	16.20	-
Professional Fees	2.05	1.49
Loss on sale of item of Property, Plant and Equipment	4.46	-
Miscellaneous Expenses	2.00	0.02
<b>Total</b>	<b>38.12</b>	<b>19.58</b>

(₹ in Lakhs)

Related parties, Transactions with related parties for the year ended March 31, 2022 and March 31, 2021 and Outstanding Balances as at March 31, 2022 and March 31, 2021:

Particulars	For the year ended	
	March 31, 2022	March 31, 2021
<b>Holding Company</b>	Patel Infrastructure Limited	Patel Infrastructure Limited
<b>Fellow Subsidiary Companies</b>	Patel Bridge Nirman Private Limited	Patel Bridge Nirman Private Limited
	Patel Cholapuram Thanjvur Highway Private Limited	Patel Cholapuram Thanjvur Highway Private Limited
	Patel Darah Jhalawar Highway Private Limited	Patel Darah Jhalawar Highway Private Limited
	Patel Sethiyahopu-Cholapuram Highway Private Limited	Patel Sethiyahopu-Cholapuram Highway Private Limited
	Patel Hospitality Private Limited	Patel Hospitality Private Limited
	Patel Vadodara Kim Expressway Private Limited	Patel Vadodara Kim Expressway Private Limited
<b>Key Management Personnel (KMP)</b>	Pravinbhai Patel (Director)	Pravinbhai Patel (Director)
	Arvindbhai Patel (Director)	Arvindbhai Patel (Director)

<b>Relatives of KMP</b>	Smitaben Pravinbhai Patel - Wife of Pravinbhai Patel	Smitaben Pravinbhai Patel - Wife of Pravinbhai Patel
	Ramaben Dineshbhai Vaviya - wife of Dineshbhai Vaviya - Share holder & Director of Holding Company	Ramaben Dineshbhai Vaviya - wife of Dineshbhai Vaviya - Share holder & Director of Holding Company
	Rekhaben Sureshbhai Vaviya - Wife of Sureshbhai Vaviya - Share holder & Director of Holding Company	Rekhaben Sureshbhai Vaviya - Wife of Sureshbhai Vaviya - Share holder & Director of Holding Company
	Sangitaben Madhubhai Vaviya - Wife of Madhubhai Vaviya - Share holder & Director of Holding Company	Sangitaben Madhubhai Vaviya - Wife of Madhubhai Vaviya - Share holder & Director of Holding Company
	Abhishekbhai Sureshbhai Vaviya - Son of Sureshbhai Vaviya - Share holder & Director of Holding Company	Abhishekbhai Sureshbhai Vaviya - Son of Sureshbhai Vaviya - Share holder & Director of Holding Company

Particulars	For the year ended	
	March 31, 2022	March 31, 2021
<b>Enterprises over which KMP and/or Relatives of KMP are able to exercise significant Influence</b>	V G Patel Foundation	V G Patel Foundation
	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
	SPG Infracon Pvt. Ltd.	SPG Infracon Pvt. Ltd. (w.e.f 27.11.2020)
	Road Shield Pvt Ltd	Road Shield Pvt Ltd (w.e.f 31.07.2020)
	Patcon Infra Pvt. Ltd.	Patcon Infra Pvt. Ltd.
	Solucio Infra Solutions Pvt. Ltd.	Solucio Infra Solutions Pvt. Ltd.

(₹ in Lakhs)

Related Party Transactions : Holding Company

(₹ in Lakhs)

Particulars	For the year ended	
	March 31, 2022	March 31, 2021
<b>Sub Contracting Expense</b>		
Patel Infrastructure Limited	170.03	-
<b>Sub Contracting Income</b>		
Patel Infrastructure Limited	-	510.00
<b>Trade Payable</b>		
Patel Infrastructure Limited	209.39	2.60
<b>Closing Balance of Security Deposit</b>		
Patel Infrastructure Limited	187.00	187.00
<b>Corporate Guarantees at the end of the year</b>		
Patel Infrastructure Limited	20,000.00	20,000.00
<b>Dividend Received during the year</b>		
Patel Bridge Nirman Private Limited	-	811.19
<b>Dividend Paid during the year</b>		
Patel Infrastructure Limited	-	899.99
<b>Receivable against sale of Fixed Assets</b>		
Patel Darah Jhalawar Highway Private Limited	-	0.30

Related Party Transactions : Fellow Subsidiary Companies

Particulars	As at	
	March 31, 2022	March 31, 2021
<b>Investments in Equity Instrument</b>		
<b>Closing Balance of Investment</b>		
Patel Shethiyahopu Cholapuram Highway Private Limited	2,000.00	2,000.00
Patel Bridge Nirman Private Limited	751.10	751.10
<b>Investment in Other Equity</b>		
<b>Closing balance of Investments (Other Equity)</b>		
Patel Shethiyahopu Cholapuram Highway Private Limited	2,150.00	2,150.00

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

Particulars	As at	
	March 31, 2022	March 31, 2021
<b>Dividend Paid during the year</b>		
Pravinbhai Patel	-	0.01
<b>Stipend</b>		
Abhishekbhai Sureshbhai Vaviya	-	0.30
<b>Donation</b>		
V G Patel Foundation	16.20	-

## A Categories of Financial Instruments

Particulars	Amount as at March 31, 2022			
	Fair Value through Profit & Loss	Fair Value through Other	Amortised Cost	Total
<b>Financial assets</b>				
(i) Investments	-	-	4,901.10	4,901.10
(ii) Trade Receivable	-	-	514.65	514.65
(iii) Cash and cash equivalents	-	-	13.31	13.31
(iv) Other financial assets	-	-	399.60	399.60
<b>Total</b>	-	-	<b>5,828.66</b>	<b>5,828.66</b>
<b>Financial liabilities</b>				
(i) Trade payables	-	-	336.52	336.52
(ii) Other financial liabilities	-	-	23.79	23.79
<b>Total</b>	-	-	<b>360.31</b>	<b>360.31</b>

Particulars	Amount as at March 31, 2021			
	Fair Value through Profit & Loss	Fair Value through Other Comprehensive Income	Amortised Cost	Total
<b>Financial assets</b>				
(i) Investments	-	-	4,901.10	4,901.10
(ii) Trade Receivable	-	-	563.55	563.55
(iii) Cash and cash equivalents	-	-	71.34	71.34
(iv) Other financial assets	-	-	387.95	387.95
<b>Total</b>	-	-	<b>5,923.94</b>	<b>5,923.94</b>
<b>Financial liabilities</b>				
(i) Trade payables	-	-	510.64	510.64
(ii) Other financial liabilities	-	-	30.07	30.07
<b>Total</b>	-	-	<b>540.71</b>	<b>540.71</b>

**B 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.

**2 Credit Risk**

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

**3 Liquidity Risk**

The Company monitors its risk of a shortage of funds by estimating the future cash flows. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, cash credit facilities and bank loans. The Company has access to a sufficient variety of sources of funding.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

( ₹ in Lakhs)

Particulars	Within 1 Year	2 to 5 Year	More than 5 Year	Carrying Amount
<b>As at March 31, 2022</b>				
Trade Payables	336.52	-	-	336.52
Other Financial Liabilities	23.79	-	-	23.79
<b>As at March 31, 2021</b>				
Trade Payables	510.64	-	-	510.64
Other Financial Liabilities	30.07	-	-	30.07

**Patel Highway Management Private Limited****CIN: U45203GJ2009PTC058178****(₹ in Lakhs)****Note 27 : Corporate Social Responsibility (CSR)**

Expenditure towards Corporate Social Responsibility as per Companies Act, 2013 read with Rules and Regulations thereof.

Particulars	For the year ended	
	March 31, 2022	March 31, 2021
(i) Gross Amount required to be spent by the Company	9.30	6.90
(ii) Amount Spent during the year towards activities specified in CSR Policy	9.30	-
a) CSR activities by own	-	-
b) By third parties	9.30	-
(iii) Shortfall at the end of the year	-	6.90
(iv) Total of Previous years shortfall	-	-
(v) Reason for shortfall	Nil	The Company has Identified Ongoing Projects.
(vi) Related Party Transactions in relation to Corporate Social Responsibility	16.20	NA
(vii) Nature of CSR activities	As per Schedule VII of CSR.	-



**Patel Highway Management Private Limited**

**CIN: U45203GJ2009PTC058178**

**Note 28 : Basic and Diluted Earnings Per Share**

<b>Particulars</b>	<b>For the year ended March 31, 2022</b>	<b>For the year ended March 31, 2021</b>
<b>Earnings per equity share</b>		
Profit attributable to equity shareholders (₹ In Lakhs)	(1.38)	788.16
Weighted average number of equity shares outstanding during the year	75,00,000	75,00,000
Nominal value of equity per share	10.00	10.00
Basic and Diluted EPS (₹ Per Share)	(0.02)	10.51

**Note 29 : Contingent liabilities and Capital Commitments**

(₹ in Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
a) Other money for which the company is contingently liable (Direct and Indirect Taxes)	5,075.40	1,786.89
b) Claims against the Company not acknowledged as debt	8.80	8.80

Corporate Guarantee has been issued by the Company on behalf of Patel Infrastructure Limited, a holding company, with respect to debenture i.e. Non Convertible Debentures and Optionally Convertible Debentures issued by the holding company.

There are no captial commitments as at the reporting date.

**Note 30 : Payment to Auditors**

Particulars	As at March 31, 2022	As at March 31, 2021
For Audit	1.50	1.50
<b>Total</b>	<b>1.50</b>	<b>1.50</b>

Patel Highway Management Private Limited

CIN: U45203GJ2009PTC058178

Note 31: Financial Ratios

Following Ratios to be Disclosed:	Numerator	Denominator	For the year ended March 31, 2022	For the year ended March 31, 2021	% Variance	Reason for variance	
a.	Current Ratio,	Current Assets	Current Liabilities	3.25	2.43	33%	Decrease in trade payable
b.	Debt-Equity Ratio,	Total Debt #1	Shareholders Equity	0.06	0.09	-33%	Decrease in trade payable
c.	Debt Service Coverage Ratio,	Earnings available for Debt service #2	Debt Service #3	N.A.	N.A.	N.A.	N.A.
d.	Return on Equity Ratio,	Net Profit after taxes	Average Shareholder's equity	(0.00)	0.12	-100%	Decrease in Work income as company have completed work as per the work contract received, in turn PAT is also decreased
e.	Inventory turnover ratio,	Revenue from Operations #6	Average Inventory	N.A.	N.A.	N.A.	N.A.
f.	Trade Receivables turnover ratio,	Revenue from Operations #6	Average Trade Receivables	0.42	1.64	-75%	Decrease in Work income as company have completed work as per the work contract received
g.	Trade payables turnover ratio,	Operation & maintenance Expenses	Average Trade Payables	0.40	1.78	-77%	Decrease in trade payable
h.	Net capital turnover ratio (Net working capital turnover Ratio),	Revenue from Operations #6	Average Working Capital	0.27	0.62	-56%	Decrease in trade payable and work income as compared to last year
i.	Net profit ratio,	Net Profit	Revenue from Operations #6	-0.01	1.55	-100%	Decrease in Work income as company have completed work as per the work contract received
j.	Return on Capital employed,	Earning before interest and taxes	Capital Employed #5	0.00	0.13	-99%	Decrease in Work income as company have completed work as per the work contract received
k.	Return on investment (ROI).	Current Value of Investment	Average Cost of Investment	1.00	1.00	0%	N.A.

**Notes**

#1 Debt represents all liabilities

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

#3 Debt Service represents Interest + Principal Repayment

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

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

#6 Revenue from Operations represents sale of service.

(₹ in Lakhs)

**A. Amount Recognised in Profit and Loss**

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>Current income tax:</b>		
(Excess) / Short provision of earlier periods	2.70	-
<b>Deferred tax:</b>		
Relating to origination and reversal of temporary differences	6.85	37.57
<b>Total</b>	<b>9.55</b>	<b>37.57</b>

**B. Reconciliation of effective tax rate**

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>Accounting profit before tax</b>	<b>8.16</b>	<b>825.73</b>
<b>Applicable Income tax rate</b>	<b>25.17%</b>	<b>25.17%</b>
<b>Computed expected tax expense</b>	<b>2.05</b>	<b>207.82</b>
Deferred Tax expenses accounted in books	6.85	37.57
Effect of expense not allowed for tax purpose	12.10	9.80
Effect of expense allowed for tax purpose	(2.92)	(3.46)
Effect of Deductions Claimed for tax purpose	16.05	(172.71)
(Excess) / Short provision of earlier periods	2.70	-
Ind AS Adjustments		
Unutilised tax losses carried forward	(27.28)	(41.45)
Tax on book profit as per Minimum Alternate Tax		
<b>Income tax expense</b>	<b>9.55</b>	<b>37.57</b>
<b>Income tax expense reported in the statement of profit and loss</b>	<b>9.55</b>	<b>37.57</b>

Patel Highway Management Private Limited  
CIN: U45203GJ2009PTC058178

**Note 32 : Movement in Deferred tax Assets/ Liabilities**

**C. Recognized deferred tax assets and liabilities**

( ₹ in lakhs)

Particulars	Balance as at April 1, 2020	Recognized in profit or loss during 2020-21	Recognized in OCI during 2020-21	Balance as at March 31, 2021	Balance as at April 1, 2021	Recognized in profit or loss during 2021-22	Recognized in OCI during 2021-22	Balance as at March 31, 2022
<b>Deferred Tax Assets</b>								
Provision for Gratuity	-	-	-	-	-	-	-	-
MAT Credit Entitlement	473.52	-	-	473.52	473.52	-	-	473.52
Unutilised tax losses to be carried forward	45.83	(45.83)	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
<b>Less: Deferred Tax Liabilities</b>								
Excess of depreciation and amortization on fixed assets under income tax law over depreciation and amortization provided in accounts	20.26	(8.26)	-	12.00	12.00	6.85	-	18.85
	-	-	-	-	-	-	-	-
<b>Total</b>	<b>499.09</b>	<b>(37.57)</b>	<b>-</b>	<b>461.52</b>	<b>461.52</b>	<b>(6.85)</b>	<b>-</b>	<b>454.67</b>

**Note: 33**

No subsequent event have been observed which may required an adjustment on the Balance Sheet date.

**Note: 34 Disclosure pursuant to Appendix - E to Ind AS 115 - "Revenue from Contract with Customer"**

**34.1 Description and classification of the arrangement**

The Company has entered into Service Concession Arrangement ('SCA') with National Highway Authority of India (NHAI) dated October 23, 2009 for the purpose of Operation and maintenance of Palanpur- Radhanpur section (KM 340.00 to KM 458.00) of NH-14 and Radhanpur- Samakhiyali Section KM 138.80 to KM 281.30 in the state of Gujarat. The Concession Period is upto 27th May, 2019 (Including 30.5 days of extension granted by NHAI under force majeure event). As per the SCA, the company is entitled to charge users of the public service, hence the service arrangement has been classified as Intangible Asset.

**34.2 Obligations of Operations and maintenance**

The Company is required to carry out operations and maintenance on the road annually with an obligation to carry out Period maintenance in terms of the Concession at regular intervals.

**34.3 Changes to the Concession during the period**

No changes in the arrangement have occurred during the accounting period, except as otherwise disclosed in the Financial statements.

**34.4 Classification of the Concession**

The Company has applied the principles enumerated in Appendix E of Ind AS – 115 titled "Service Concession Arrangement" and has classified the arrangement as a tolling arrangement resulting in recognition of an Intangible Asset.

**34.5 Revision of Fees:**

Fees shall be revised annually on April 01 subject to the provisions of the National Highways Fee Rules; provided, however, that no revision shall be effected within a period 6 (six) months from the date of the preceding revision of Fee.

**34.6 Details of any assets to be given or taken at the end of concession period**

At the end of the Concession period the company shall deliver the actual or constructive possession of the Project Highway, free and clear of all encumbrances.

**1 Disaggregation of Revenue**

**2 Movement of Contract Balances**

(i) Advance from Customers	For the year ended March 31, 2022	For the year ended March 31, 2021
Opening Balance	6.04	6.04
Advance Received during the year	-	-
Advance Adjusted / Recovered	-	-
<b>Closing Balance</b>	<b>6.04</b>	<b>6.04</b>

(ii) Financial Asset	For the year ended March 31, 2022	For the year ended March 31, 2021
Opening Balance	0.14	41.93
Recognised during the year	-	-
Receipt during the year	-	41.79
<b>Closing Balance</b>	<b>0.14</b>	<b>0.14</b>

**Note 35** Previous year's 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 Highway Management Private Limited**  
**CIN: U45203GJ2009PTC058178**

**Per, Vidhan Surana**  
Partner  
Membership No.: 041841

**Pravinbhai Patel**                      **Arvind Patel**  
Director                                      Director  
DIN: 00008911                              DIN: 00009089

Place : Ahmedabad  
Date : August 05 , 2022

Place : Vadodara  
Date : August 05 , 2022