

DIRECTORS' REPORT

To,
The Members,
Patel Highway Management Private Limited,

Your directors have pleasure in presenting their **10th Annual Report** together with Audited Accounts of the Company and Auditors' Report thereon for the year ended on 31st March, 2019.

FINANCIAL SUMMARY

The Company's financial performance on standalone basis, for the year ended March 31, 2019 is summarised here under:

PARTICULARS	2018-19 (Rs. In Lacs)	2017-18 (Rs. In Lacs)
Total Income	24,531.35	24,127.13
Total Expenditure	23602.20	23,384.70
Profit Before Tax	929.15	742.43
Tax Expense:		
(i) Current Tax	193.21	148.71
(ii) Deferred Tax	(197.22)	(277.70)
(iii) (Excess)/ Short provision of earlier periods	(30.44)	(33.11)
Profit/(Loss) for the Period	963.60	904.53
Other Comprehensive income (Net of Taxes)	16.20	2.51
Total Comprehensive income	979.80	907.05
Profit attributable to equity shareholders	963.60	904.53

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 a turnover of Rs.24531.35 Lacs against last year turnover of Rs. 24,127.13 Lacs (whereas out of total turnover, Revenue from Operation is 24323.71 Lacs against Last year income of 23651.71 Lacs). Thus in terms of operation and sales for the year under remained significant for the Company.

HOLDING, SUBSIDIARIES, JOINT VENTURES, and ASSOCIATES

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

The Company has one Associates Company, namely Patel Bridge Nirman Private Limited ("PBNPL") and one Subsidiary Company, namely 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.

EXTRACT OF ANNUAL RETURN

The extract of Annual Return required under Section 134(3(a) of the Companies Act, 2013 read with rule 12(1) of the Companies (Management and Administration) Rules, 2014, in Form MGT-9, for the Financial Year ended 31st March, 2019 is annexed Annexure - IV, and forms part of the Directors Report and 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 2018-19
1.	Board Meetings	5 (Five)	02.04.2018, 20.07.2018, 24.08.2018, 26.09.2018, 18.01.2019.
2.	CSR meeting	1 (One)	23.07.2018.

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

DIRECTORS' RESPONSIBILITY STATEMENT

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

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- (c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the directors had prepared the annual accounts on a going concern basis; and
- (e) the directors, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- (f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

DIRECTORS AND KMP

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

AUDITORS

M/s. Surana Maloo & Co., Chartered Accountants (Firm Registration No: 112171W), who is the statutory auditor of your Company, holds office until the conclusion of the 13th AGM to be held in the year 2022, subject to ratification of its appointment at every AGM, if required under law.

Pursuant to Section 40 of Companies Amendment Act, 2017 notified on May 7, 2018, there is no need to place the matter relating to ratification of appointment by members at every Annual General meeting.

Hence ratification of appointment by members shall not be place in the upcoming AGM and onwards. M/s. Surana Maloo & Co. has also confirmed that they hold a valid peer review certificate issued by the peer review board of ICAI, New Delhi and eligible to act as auditors.

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

DISCLOSURE ABOUT COST AUDIT

Pursuant to directions issued by Government of India, Ministry of Corporate Affairs (MCA) for appointment of Cost Auditors, the Board of Directors has appointed **M/s. B. R. & Associates**, a

Cost Accountant as a Cost Auditor of the Company for the financial year ended March 31, 2019 and On recommendation of Board he has also appointed for the financial year ended March 31, 2020. The members are requested to ratify the remuneration to be paid to the cost auditors of the company. The Cost Audit Report for the year 2017-18 was filed with the Ministry of Corporate Affairs within stipulated time lines. Further, It is confirmed that Company has maintained cost record as specified under section 148(1) of 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: No dividend is recommended for the Financial Year 2018 - 19.

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. 106.61 Lacs Power, Fuel and Electricity (P.Y. Rs. 99.81Lacs 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

Your Company has constituted a Corporate Social Responsibility (CSR) Committee consisting of the following Directors:

- Mr. Pravinbhai V. Patel
- Mr. Arvind V. Patel

Members can access the CSR Policy on the website of the Company at link <http://patelinfra.com>.

Further, 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, 2019.

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.

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) (i) 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: 10.09.2019

Pravinbhai V. Patel - 00008911
Chairman & Director

Annexures:

- i. AOC - 1: SUBSIDIARIES, JOINT VENTURES, and ASSOCIATES
- ii. AOC -2: PARTICULARS OF CONTRACT OR ARRANGEMENTS WITH RELATED PARTIES

- iii. CSR Expenditure
- iv. 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 – Patel Sethiyahopu - Cholopuram Highway Private Limited	Amount Amount in Lakhs
1	Reporting currency	INR
2	Share capital	2001.00
3	Reserves & surplus	717.59
4	Total assets	14187.14
5	Total Liabilities (excluding Equity Share capital)	5961.69
7	Investments	--
8	Turnover (Revenue from Operation)	9868.28
9	Profit before taxation	631.22
10	Provision for taxation (Current Tax & Deferred Tax)	(85.54)
11	Profit after taxation	716.76
12	Proposed Dividend	--
13	% of shareholding	** 99.95%
** (Patel Sethiyahopu-Cholopuram Highway Private Limited is SPV of Patel Infrastructure Limited, Wherein PIL along with its Subsidiary PHMPL holding entire share capital of Patel Sethiyahopu-Cholopuram Highway Private Limited		
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		

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)
1.	Latest audited Balance Sheet Date	31 st March, 2019
2.	Shares of Associate/Joint Ventures held by the company on the year end	
	No.	7511000 Equity Shares
	Amount of Investment in Associates/Joint Venture	751.10
	Extend of Holding %	**44.75%
3.	Description of how there is significant influence	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.
5.	Net worth attributable to Shareholding as per latest audited Balance Sheet.	2083.08
6.	Profit / Loss for the year (PAT)	447.72
6(i).	Considered in Consolidation	—
6(ii.)	Not Considered in Consolidation	—

** (Patel Bridge Nirman Private Limited is SPV 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)

- Names of associates or joint ventures which are yet to commence operations: N.A
- Names of associates or joint ventures which have been liquidated or sold during the year. N.A

Place: Vadodara Date: 10.09.2019	For and on behalf of Board Patel Highway Management Private Limited Pravinbhai V. Patel - 00008911 Chairman & Director
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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, 2019, 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 Expense	3924.77
Smitaben P. Patel	Salary	As per Appointment Letter	Salary	12.00
Ramaben D. Vaviya	Salary	As per Appointment Letter	Salary	9.60
Sangitaben M Vaviya	Salary	As per Appointment Letter	Salary	9.60

Patel Highway Management Private Limited

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Rekhaben S Vaviya	Salary	As per Appointment Letter	Salary	6.00
Abhishekbhai S Vaviya	Stipend	As per Appointment Letter	Stipend	3.60
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: 10.09.2019

Pravinbhai V. Patel - 00008911
Chairman & Director

Patel Highway Management Private Limited

CIN: U45203GJ2009PTC058178



Annexure - III : CSR Report

Annual Report on Corporate Social Responsibility (CSR) activity for the financial year 2018-19

Rs. In lakhs

1	A brief outline of the Company's CSR Policy including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR Policy and projects or programs and the composition of csr committee.	Refer section (a) CSR and (b) Disclosure : CSR committee in this report
2	Average net profit of the Company for last three financial years	447.82
3	Prescribed CSR expenditure (Two Percent of the amount mentioned in item 2 above)	8.96
4	Details of CSR Spent during the Financial Year :	
	Total amount to be spend for the financial year	8.96
	Amount unspent, if any	8.96
	Manner in which the amount spend during the financial year	Details Given - Nil

Patel Highway Management Private Limited

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Details of Amount Spent on CSR Activities during the financial year 2018-19

[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]
Sr.No.	CSR project or Activity Identified	Sector in which the project is covered (Clause no. of Schedule VII to the Companies Act, 2013, as amended	Project of Program (1) Local Area or (2) Specify the State and district where project or programs was undertaken	Amount Outlay (Budget) Project or Programme wise (In Lacs.)	Amount spent on the Projects or Programs Sub Heads: (1) Direct Expenditure on Project or Programs (2) Overheads (In Lacs.)	Cumulative Expenditure upto he reporting period (In Lacs.)	Amount Spent Direct or through Implementing Agency
--	--	--	--	--	--	--	--
Total Expenditure					00.00		

Patel Highway Management Private Limited

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Reason for not spending the amount in its Board Reports

That the company do some donation activities, but said activities not fall under CSR scope, Hence the Company is in the process of identifying various projects to carry out its CSR activities in line with the provisions of Companies Act, 2013 read with rules and regulation thereto and Company is taking necessary steps to regularize all expenses with relation to CSR in line with the CSR provisions of the Companies Act.

For the said reasons, Company could not spent 100 % amount towards CSR in the Financial Year 2018-19.

Responsibility Statement

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

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

For and on behalf of Board
Patel Highway Management Private Limited
Pravinbhai V. Patel - 00008911

Date: 10.09.2019

Place: Vadodara

Chairman & Director

Patel Highway Management Private Limited

CIN: U45203GJ2009PTC058178



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 31/03/2019		
I	REGISTRATION & OTHER DETAILS:	
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	Address of the Registered office & contact details	
	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 :	ho@patelinfra.com
	Website, if any:	N.A
vi	Whether listed company	Unlisted

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vii	Name and Address of Registrar & Transfer Agents (RTA):-		
	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.	PRINCIPAL BUSINESS ACTIVITY OF THE COMPANY		1
	All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-		
Sl. No.	Name and Description of main products / services	NIC Code of the Product / service	% to total turnover of the company
1	Construction and Maintenance of Road (Section F)	42	100%

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III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -					
No. of Companies for which information is being filled				2	
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 of Patel Sethiyahopu-Cholopuram Highway Private Limited)	U45309GJ2017PTC099497	Subsidiary	99.95%	2(87)ii

Patel Highway Management Private Limited

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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	
A. Promoter s									
(1) Indian									
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	-	-	-	-	-	-	-	-	-
(2) Foreign									
a) NRI - Individual/	-	-	-	-	-	-	-	-	-
b) Other - Individual/	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Others	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A)	-	75,00,000	75,00,000	100%	-	75,00,000	75,00,000	100%	0%

Patel Highway Management Private Limited

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B. Public Shareholding									
1. Institutions									
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)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	-	-	-	-	-	-	-	-	-

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2. Non-Institutions									
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)	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	-	-	-	-	-	-	-	-	-
Total Public Shareholding (B)=(B)(1)+ (B)(2)	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	-	75,00,000	75,00,000	100%	-	75,00,000	75,00,000	100%	-

Patel Highway Management Private Limited

CIN: U45203GJ2009PTC058178



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%	51%	7,499,900	100.00%	0%	0%
2	Mr. Pravinbhai Vithalbhai Patel (Nominee of Patel Infrastructure Limited)	100	0.00%	0%	100	0.00%	0%	0%
	TOTAL	75,00,000	100.00%	51%	75,00,000	100.00%	0%	0%

Patel Highway Management Private Limited

CIN: U45203GJ2009PTC058178



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.	Patel Infrastructure Limited				
	At the beginning of the year	-	-	-	-
	Changes During the year	-	-	-	-
	At the end of the year	-	-	-	-
2.	Pravinbhai Vithalbhai Patel				
	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.	<i>Shareholding of Directors and Key Managerial Personnel:</i>				
	<i>For each of the Directors and KMP</i>	<i>Shareholding at the beginning of the year</i>		<i>Cumulative Shareholding during the year</i>	
		<i>No. of shares</i>	<i>% of total shares of the company</i>	<i>No. of shares</i>	<i>% of total shares of the company</i>
1.	Pravinbhai Vithalbhai Patel – Director				
	At the beginning of the year	100	-	100	-
	Changes During the year	-	-	-	-
	At the end of the year	100	-	100	-
2.	Arvind Vithalbhai Patel – Director	-	-	-	-
	At the beginning of the year	-	-	-	-
	Changes During the year	-	-	-	-
	At the end of the year	-	-	-	-
3.	Yogesh Madhusudan Bhatt – Company Secretary	-	-	-	-
	At the beginning of the year	-	-	-	-
	Changes During the year	-	-	-	-
	At the end of the year	-	-	-	-

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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	3891.00	-	-	3891.00
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	37.64	-	-	37.64
Total (i+ii+iii)	3928.64	-	-	3928.64
Change in Indebtedness during the financial year	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
* Addition		-	-	-
* Reduction	3928.64	-	-	3928.64
Net Change	(3928.64)	-	-	(3928.64)
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	-	-	-	-
Total (i+ii+iii)	-	-	-	-

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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
		Gross salary	-	10.40	-	10.40
		(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	10.40	-	10.40
	1	(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	-	10.40	-	10.40

Patel Highway Management Private Limited

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

Date: 10.09.2019
Place: Vadodara

Pravinbhai V. Patel
Chairman & Director
DIN: 00008911

INDEPENDENT AUDITOR'S REPORT

To,
THE MEMBERS OF PATEL HIGHWAY MANAGEMENT PRIVATE LIMITED

Report on the audit of the Standalone Ind AS Financial Statements

Opinion

We have audited the Standalone Ind AS financial statements of **PATEL HIGHWAY MANAGEMENT PRIVATE LIMITED ("the Company") (CIN: U45203GJ2009PTC058178)**, which comprise the Balance Sheet as at 31st March 2019, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash flows for the year then ended and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ('The Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standard) Rules, 2015, as amended and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and Profit, Changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

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

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

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

In connection with our audit of the Standalone Ind AS financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

Responsibility of Management for Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Ind AS financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements

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

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the Standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on Other Legal and Regulatory Requirements

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

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

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

- c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the statement of changes in equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid Standalone Ind AS financial statements comply with the Indian Accounting Standards (“Ind AS”) specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015 as amended time to time.
- e) On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure B”.
- g) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

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

Per, S.D. Patel
Partner
Membership No: 037671
UDIN: 19037671AAAAFP2564

Date: September 10, 2019
Place: Vadodara

Annexure - "A" to the Independent Auditors' Report

Matters specified in paragraphs 3 & 4 of the Companies (Auditor's Report) order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013 of Patel Highway Management Private Limited for the year ended on 31st March, 2019.

- i) a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

b) The fixed assets have been physically verified during the year by the Management in accordance with program of physical verification, which in our opinion, provides for physical verification of all fixed assets at reasonable intervals having regard to size of the Company and nature of fixed assets. Based on our audit and according to the information and explanations given to us, no material discrepancies were noticed on such verification.

c) The Company does not have any immovable properties and accordingly, reporting with respect to title deeds is not applicable.
- ii) The company did not have inventories during the year and accordingly reporting with respect to physical verification and dealing with discrepancies thereof in the books of accounts is not applicable.
- iii) The Company has granted unsecured loans to fellow subsidiary company covered in the register maintained under Section 189 of the Act during the year.

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

No interest has been charged on the said loan and no stipulations were made for the repayment of the principal amount. Having regard to the above facts and explanations, reporting with respect repayment of principal outstanding and interest thereon is not applicable.

Since the loan has been repaid reporting with respect to overdue amount, recovery of principal and interest thereon is not applicable.

- iv) According to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act in respect of loans given or investments made or guarantees or security provided.
- v) According to the information and explanations given to us the Company has not accepted deposits from the public within the meaning of Sections 73 to 76 of the Act, and the rules framed there under. Therefore, the reporting requirements of paragraph 3 (v) of the Order, is not applicable to the Company.

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

vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company in respect of undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of custom, excise duty, value added tax, cess and other material statutory dues as applicable have been generally regularly deposited during the year by the Company with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, service tax, value added tax, Cess and other material statutory dues were in arrears as at 31st March, 2019 for a period of more than six months from the date they became payable.

(b) Based on the audit procedures performed and according to the information and explanations given to us, there are no material dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax or Cess which have not been deposited with the appropriate authorities on account of any dispute, except mentioned 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	-	23 rd July 2013	High Court of Gujarat, Ahmedabad

viii) Based on our audit procedure and the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of loans to financial institution and banks. The Company has not borrowed or raised any money from debenture holders during the year.

ix) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). In our opinion and according to the information and explanation given to us and on examination of the balance sheet of the company, the term loans were applied for the purpose for which the loans were obtained.

x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the Standalone Ind AS financial statements and as per the information and explanations given by the Management, we report that no material fraud on or by the Company has been noticed or reported during the year.

- xi) In our opinion, the company being a private limited company, the provisions of section 197 read with schedule V of the Act with respect to managerial remuneration are not applicable.
- xii) In our opinion, the Company is not a chit fund or a Nidhi/ Mutual benefit fund/ society. Therefore, the provisions of Clause 3(xii) of the Order are not applicable to the Company.
- xiii) According to the information and explanation given to us and on the basis of our examination of the records of the Company, all the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable and also the details which have been disclosed in the Standalone Ind AS Financial Statements are in accordance with the applicable Accounting Standard.
- xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year, therefore the reporting requirement of paragraph 3(xiv) of the Order, are not applicable to the Company.
- xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly reporting requirement of paragraph 3(xv) of the order is not applicable to the Company.
- xvi) According to the information given and as explained to us, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

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

Per, S.D. Patel
Partner
Membership No: 037671
UDIN: 19037671AAAAFP2564

Date: September 10, 2019
Place: Vadodara

Annexure 'B'

Annexure to the Independent Auditor's Report of even date on the Standalone Ind AS Financial Statements of Patel Highway Management 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") as of March 31st, 2019 in conjunction with our audit of the Standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Standalone Ind AS financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31st, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

Per, S.D. Patel
Partner
Membership No: 037671
UDIN: 19037671AAAAP2564

Date: September 10, 2019
Place: Vadodara

(₹ in Lakhs)

Particulars	Note No.	As at March 31, 2019	As at March 31, 2018
I. ASSETS			
1 Non-current assets			
(a) Property, Plant and Equipment	5	223.91	280.15
(b) Other Intangible Assets	5	701.52	4,910.58
(c) Financial Assets			
(i) Investments	6	4,901.10	931.10
(ii) Other Non-current financial assets	7	-	319.77
(d) Deferred Tax Assets	8	474.10	285.58
(e) Other non-current assets	9	2.70	29.36
Total Non-current Assets		6,303.33	6,756.54
2 Current assets			
(a) Financial Assets			
(i) Investments	10	-	1,000.00
(ii) Trade receivables	11	58.53	-
(iii) Cash and cash equivalents	12	1,020.06	3,410.38
(iv) Bank balances other than (ii) above	12	175.22	1,169.72
(v) Other current financial assets	13	229.64	18.15
(b) Current tax assets (Net)	14	399.71	528.01
(c) Other current assets	15	65.50	100.56
Total Current assets		1,948.67	6,226.82
TOTAL ASSETS		8,252.01	12,983.36
II. EQUITY AND LIABILITIES			
1 Equity			
(a) Equity share capital	16	750.00	750.00
(b) Other Equity	17	6,284.01	5,304.21
Total Equity		7,034.01	6,054.21
2 Liabilities			
Non-current liabilities			
(a) Long Term Provisions	18	7.78	24.47
Total Non-current liabilities		7.78	24.47
3 Current liabilities			
(a) Financial Liabilities			
(i) Trade payables	19	1,079.02	2,794.87
(ii) Other current financial liabilities	20	88.73	4,040.82
(b) Short term provisions	21	2.01	6.26
(c) Other current liabilities	22	40.45	62.72
Total Current liabilities		1,210.21	6,904.67
Total Liabilities		1,217.99	6,929.14
TOTAL EQUITY AND LIABILITIES		8,252.01	12,983.36

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

Pravinbhai Patel
Director
DIN: 00008911

Arvindbhai Patel
Director
DIN: 00009089

Place : Vadodara
Date : September 10, 2019

Place : Vadodara
Date : September 10, 2019

Particulars		Note No.	For the year ended March 31, 2019	For the year ended March 31, 2018
I	Revenue			
	Revenue from Operations	23	24,323.71	23,651.71
	Other Income	24	207.64	475.42
	Total Income		24,531.35	24,127.13
II	Expenses			
	Operation and Maintenance Expense	25	17,981.57	16,751.74
	Employee Benefits Expense	26	340.20	413.81
	Finance costs	27	37.39	619.72
	Depreciation and Amortization Expenses	5	4,268.43	4,538.76
	Other Expenses	28	974.61	1,060.67
	Total Expenses		23,602.20	23,384.70
III	Profit Before Tax (I - II)		929.15	742.43
IV	Tax expense:			
	(1) Current Tax	36	193.21	148.71
	(2) Deferred Tax	36	(197.22)	(277.70)
	(3) Excess / (Short) provision of earlier periods	36	(30.44)	(33.11)
V	Profit After Tax (III - IV)		963.60	904.53
	Other comprehensive income			
	Items that will not be reclassified subsequently to profit or loss			
	Remeasurements of defined benefit liability/(asset)		24.90	3.86
	Income tax related to above items		(8.70)	(1.35)
VI	Other comprehensive income (Net of taxes)		16.20	2.51
VII	Total comprehensive income for the Year (V + VI)		979.80	907.05
VIII	Earnings per equity share (EPS)			
	Basic and Diluted			
	Profit attributable to equity shareholders		963.60	904.53
	Weighted average number of equity shares outstanding during the year (Refer Note 33)		75,00,000	75,00,000
	Nominal value of equity share		10.00	10.00
	Basic and Diluted Earning per Share (EPS)	33	12.85	12.06

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, S. D. Patel

Partner

Membership No.: 037671

Pravinbhai Patel

Director

DIN: 00008911

Arvindbhai Patel

Director

DIN: 00009089

Place : Vadodara

Date : September 10, 2019

Place : Vadodara

Date : September 10, 2019

(₹ in Lakhs)

Particulars		For the year ended March 31, 2019	For the year ended March 31, 2018
A	CASH FLOW FROM OPERATING ACTIVITIES		
	Restated Net Profit after Extraordinary items and before Tax	929.15	742.43
	Adjustment for:		
	Depreciation and Amortisation Expense	4,268.43	4,538.76
	(Profit) / Loss on Sale of Items of Property, Plant and Equipment	(1.40)	(0.76)
	Interest and other borrowing cost	37.39	619.72
	Interest income on FDRs	(73.17)	(60.98)
	(Profit) / Loss on Sale of Mutual Funds	(41.76)	(123.52)
	Fair valuation adjustment on security and other deposits (net)	(21.98)	(18.01)
	Actuarial Gain / (Loss)	24.90	3.86
	Other Interest Income	-	(88.39)
	OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	5,121.56	5,613.12
	Adjustment For Working Capital Changes:		
	Changes in Trade Receivables	(58.53)	0.50
	Changes in Financial Assets and Other Assets	11.07	209.48
	Changes in Financial Liabilities and Other Payables	(1,782.51)	2,685.87
	CASH GENERATED FROM OPERATIONS	3,291.58	8,508.97
	Direct Taxes paid (Net)	(10.39)	(263.30)
	NET CASH FROM OPERATING ACTIVITIES	3,281.19	8,245.67
B	CASH FLOW FROM INVESTING ACTIVITIES:		
	Purchase of Property Plant and Equipment (including advances for capital expenditure)	(9.56)	(623.39)
	Sale of Items of Property Plant and Equipment	9.91	2.25
	Investment in Subsidiaries (made) / sold	(3,970.00)	(180.00)
	Investment in Mutual Fund (made) / sold (net)	1,041.76	(85.38)
	Interest income on FDRs	73.17	60.98
	Changes in FDRs other than Cash and Cash Equivalents	1,149.25	(1,324.47)
	NET CASH USED IN INVESTING ACTIVITIES	(1,705.48)	(2,150.00)
C	CASH FLOW FROM FINANCING ACTIVITIES:		
	Proceeds from / (Repayments of) long term borrowings	(3,928.64)	(3,583.36)
	Proceeds / (Repayments) from short term borrowings	-	(29.13)
	Interest and other borrowing cost	(37.39)	(619.72)
	NET CASH GENERATED FROM/ (USED IN) FINANCING ACTIVITIES	(3,966.03)	(4,232.21)
	NET INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS	(2,390.32)	1,863.46
	OPENING BALANCE- CASH AND CASH EQUIVALENT	3,410.38	1,546.93
	CLOSING BALANCE- CASH AND CASH EQUIVALENT	1,020.06	3,410.38

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, 2019	For the year ended March 31, 2018
Balances with banks:		
- Current Accounts	828.02	3,250.37
Cash on hand	192.04	160.01
Cash and cash equivalents	1,020.06	3,410.38

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

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

Place : Vadodara
Date : September 10, 2019

Place : Vadodara
Date : September 10, 2019

Patel Highway Management Private Limited
CIN: U45203GJ2009PTC058178
Statement of Changes in Equity

A. Equity Share Capital

(₹ in lakhs)

Particulars	No. of Shares	Amount
Balance as at April 1, 2017	75,00,000	750.00
Changes in equity share capital during the year 2017-18		
Add: Shares issued during the year	-	-
Balance as at March 31, 2018	75,00,000	750.00
Balance as at April 1, 2018	75,00,000	750.00
Changes in equity share capital during the year 2018-19		
Add: Shares issued during the year	-	-
Balance as at March 31, 2019	75,00,000	750.00

B. Other Equity

(₹ in lakhs)

Particulars	Reserves and Surplus		
	Retained Earnings	Other Comprehensive Income - Remeasurement of Defined Benefit Plans	Total
Balance as at April 1, 2017	4,396.82	0.35	4,397.17
Profit attributable to owners of the Company	904.53	-	904.53
Other comprehensive income arising from Remeasurement of defined benefit obligation net of income tax	-	2.51	2.51
Balance at the end of the year March 31, 2018	5,301.35	2.86	5,304.21
Balance as at April 1, 2018	5,301.35	2.86	5,304.21
Profit attributable to owners of the Company	963.60	-	963.60
Other comprehensive income arising from Remeasurement of defined benefit obligation net of income tax	-	16.20	16.20
Balance at the end of the year March 31, 2019	6,264.95	19.06	6,284.01

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, S. D. Patel

Partner

Membership No.: 037671

Pravinbhai Patel

Chairman & Director

DIN: 00008911

Arvindbhai Patel

Director

DIN: 00009089

Place : Vadodara

Date : September 10, 2019

Place : Vadodara

Date : September 10, 2019

Patel Highway Management Private Limited
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.

2. BASIS OF PREPARATION

a. Basis of Preparation

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

The financial statements were authorized for issue in accordance with a resolution of the directors on September 10, 2019.

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.

3. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

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

a. Current / Non-Current Classification:

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

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

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

Patel Highway Management Private Limited
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 recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

- **Revenue Recognition based on Percentage of Completion**

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

- **Provision for estimated losses on construction contracts**

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

4. SIGNIFICANT ACCOUNTING POLICIES

a. Property, Plant and Equipment

- **Recognition and Measurement**

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

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

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

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

- **Depreciation**

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

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

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

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.

Patel Highway Management Private Limited

Notes to Standalone Financial Statements

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

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

Other Intangible Assets

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

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

- **Amortisation**

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

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

- **Derecognition**

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

c. Impairment of Tangible and Intangible Assets

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

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

Patel Highway Management Private Limited

Notes to Standalone Financial Statements

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

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

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

d. 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 other borrowing costs are recognized in the profit and loss in the period in which they are incurred.

e. Revenue Recognition

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

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

- **Revenue from Contracts with customers**

Ind AS 115 Revenue from Contracts with Customers, mandatory for reporting periods beginning on or after April 1, 2018, replaces existing revenue recognition requirements. Under the modified retrospective approach there were no adjustments required to retained earnings at April 1, 2018. Also, the application of Ind AS 115 did not have any significant impact on recognition and measurement of revenue and related items in the financial results.

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

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

Patel Highway Management Private Limited
Notes to Standalone Financial Statements

determine its present value. The Company accounts for the liability for the gratuity benefits payable in future based on an independent actuarial valuation carried out using Projected Unit Credit Method considering discounting rate relevant to Government Securities at the Balance Sheet Date.

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

- **Compensated Absences**

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

- **Short Term Employee Benefits**

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

g. Income Tax

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

- **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.

- **Deferred Tax**

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

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

Patel Highway Management Private Limited
Notes to Standalone Financial Statements

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

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

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

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

h. Segment Reporting

In accordance with the requirements of Ind AS 108 - "Segment Reporting", the Company is 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.

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

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

j. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

- **Financial assets**

(i) Initial recognition and measurement of financial assets

All financial assets are recognized initially at fair value. Transaction costs that are directly attributable to the acquisition of financial assets that are not at fair value through profit or loss are added to the fair

Patel Highway Management Private Limited
Notes to Standalone Financial Statements

value on initial recognition. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date i.e. the date that the Company commits to purchase or sell the asset.

(ii) Subsequent measurement of financial assets

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

• **Financial assets at amortized cost:**

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

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

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

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

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

• **Equity Investment in Subsidiaries and Associates:**

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

• **Investments in Equity Instruments:**

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

(iii) De-recognition of financial assets

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

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

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

(iv) Impairment of financial assets

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

- **Financial Liabilities**

(i) Initial recognition and measurement of financial liabilities

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

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

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

(ii) Subsequent measurement of financial liabilities

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

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

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

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

- **Loans and Borrowings**

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

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

(iii) Derecognition of financial liabilities

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

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Patel Highway Management Private Limited
Notes to Standalone Financial Statements

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if the Company currently has enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

k. Fair Value Measurement

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

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

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

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

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

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

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

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

- Level 1 – Quoted (unadjusted) market price in active markets for identical assets or liabilities
- Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

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

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

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

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

Patel Highway Management Private Limited
Notes to Standalone Financial Statements

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)

l. 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.

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.

n. Standard issued not yet effective

The amendment to standards that are issued, but not yet effective. The Company intends to adopt these standards, if applicable, when they become effective.

The Ministry of Corporate Affairs (MCA) has issued the Companies (Indian Accounting Standards) Amendment Rules, 2017 and Companies (India Accounting Standards) Amendment Rules, 2018 amending the following Standard:

- **Ind AS 116 – Leases**

Ind AS 116 will replace the existing leases standard, Ind AS 17 Leases. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. The standard introduces a single lessee accounting model, requiring lessees to recognize right-of-use assets for granted rights of use and corresponding lease liabilities. However, Ind AS 116 contains the option of exercising exemptions for the recognition of short-term leases and those pertaining to low-value assets. The Company will adopt Ind AS 116 effective from April 1, 2019; the Company will apply the standard to its leases, retrospectively, without restating the comparative figures. On the date of transition, the Company will be using the practical expedient provided by the standard and therefore, will not reassess whether a contract, is or contains a lease, at the date of initial application. On the date of initial application, the Company will recognize a lease liability measured at the present value of the remaining lease payments, using the incremental borrowing rate as of that date and right-of-use asset will be measured at the amount equal to lease liability adjusted for accrual and prepayment. Initial direct costs will not be taken into account in the measurement of the right-of-use asset as of the date of first-time application. In accordance with the standard, the Company will elect not to apply the requirements of Ind AS 116 to short-term leases and leases for which the underlying asset is of low value. The Company is in the process of evaluating the impact of Ind AS 116.

Patel Highway Management Private Limited
Notes to Standalone Financial Statements

- **Ind AS 12 – Income taxes (amendments relating to income tax consequences of dividend and uncertainty over income tax treatments)**

The amendment relating to income tax consequences of dividend clarify that an entity shall recognize the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. The company does not expect any impact from this pronouncement. It is relevant to note that the amendment does not amend situations where the entity pays a tax on dividend which is effectively a portion of dividends paid to taxation authorities on behalf of shareholders. Such amount paid or payable to taxation authorities continues to be charged to equity as part of dividend, in accordance with Ind AS 12.

The amendment to Appendix C of Ind AS 12 specifies that the amendment is to be applied to the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. It outlines the following:

- (1) the entity has to use judgement, to determine whether each tax treatment should be considered separately or whether some can be considered together. The decision should be based on the approach which provides better predictions of the resolution of the uncertainty
- (2) the entity is to assume that the taxation authority will have full knowledge of all relevant information while examining any amount
- (3) entity has to consider the probability of the relevant taxation authority accepting the tax treatment and the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates would depend upon the probability. The Company does not expect any significant impact of the amendment on its financial statements.

- **Ind AS 109 – Prepayment Features with Negative Compensation**

The amendments relate to the existing requirements in Ind AS 109 regarding termination rights in order to allow measurement at amortized cost (or, depending on the business model, at fair value through other comprehensive income) even in the case of negative compensation payments. The Company does not expect this amendment to have any impact on its financial statements.

- **Ind AS 19 – Plan Amendment, Curtailment or Settlement**

The amendments clarify that if a plan amendment, curtailment or settlement occurs, it is mandatory that the current service cost and the net interest for the period after the re-measurement are determined using the assumptions used for the re-measurement. In addition, amendments have been included to clarify the effect of a plan amendment, curtailment or settlement on the requirements regarding the asset ceiling. The Company does not expect this amendment to have any significant impact on its financial statements.

- **Ind AS 23 – Borrowing Costs**

The amendments clarify that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalisation rate on general borrowings. The Company does not expect any impact from this amendment.

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, 2017	73.66	32.18	5.26	0.02	19.20	93.03	41.48	44.77	309.60
Additions	5.75	-	9.27	-	0.12	84.16	3.71	-	103.01
Disposals	-	-	-	-	-	10.39	-	-	10.39
Balance as at March 31, 2018	79.41	32.18	14.53	0.02	19.32	166.80	45.19	44.77	402.22
Balance as at April 1, 2018	79.41	32.18	14.53	0.02	19.32	166.80	45.19	44.77	402.22
Additions	2.75	-	0.30	-	-	-	1.13	-	4.18
Disposals	-	-	-	-	-	9.56	-	-	9.56
Balance as at March 31, 2019	82.16	32.18	14.83	0.02	19.32	157.24	46.33	44.77	396.84

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, 2017	16.01	6.96	2.13	0.00	2.45	13.67	3.81	9.01	54.05
Depreciation / amortisation for the year	8.55	6.96	2.81	0.00	2.49	21.83	23.98	10.30	76.92
Disposals	-	-	-	-	-	8.90	-	-	8.90
Balance as at March 31, 2018	24.56	13.92	4.94	0.01	4.95	26.60	27.79	19.30	122.06
Balance as at April 1, 2018	24.56	13.92	4.94	0.01	4.95	26.60	27.79	19.30	122.06
Depreciation / amortisation for the year	8.65	6.96	3.43	0.00	2.50	22.99	6.04	8.80	59.37
Disposals	-	-	-	-	-	8.51	-	-	8.51
Balance as at March 31, 2019	33.21	20.88	8.36	0.01	7.45	41.08	33.83	28.10	172.93

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, 2018	54.85	18.26	9.59	0.01	14.37	140.20	17.40	25.47	280.15
As at March 31, 2019	48.95	11.30	6.46	0.01	11.87	116.16	12.50	16.67	223.91

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Depreciation on Property, Plant and Equipment	59.37	76.92
Amortisation on Intangible Assets	4,209.05	4,461.84
Total :	4,268.43	4,538.76

(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.

(₹ in lakhs)

Gross block	Other Intangible assets					Total Other Intangible Assets	Capital Work in progress
	Plantation	Toll Plaza	Major Maintenance	Weigh In Motion	Computer Toll System		
Balance as at April 1, 2017	23.62	300.76	12,347.44	309.21	119.74	13,100.77	-
Additions	-	-	520.54	-	-	520.54	-
Disposals	-	-	-	-	-	-	-
Balance as at March 31, 2018	23.62	300.76	12,867.98	309.21	119.74	13,621.32	-
Balance as at April 1, 2018	23.62	300.76	12,867.98	309.21	119.74	13,621.32	-
Additions	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-
Balance as at March 31, 2019	23.62	300.76	12,867.98	309.21	119.74	13,621.32	-

Accumulated depreciation	Other Intangible assets					Total Other Intangible Assets	Capital Work in progress
	Plantation	Toll Plaza	Major Maintenance	Weigh In Motion	Computer Toll System		
Balance as at April 1, 2017	7.66	97.54	4,004.57	100.28	38.83	4,248.89	-
Depreciation / amortisation for the year	7.66	97.54	4,217.52	100.28	38.83	4,461.84	-
Disposals	-	-	-	-	-	-	-
Balance as at March 31, 2018	15.32	195.09	8,222.10	200.57	77.67	8,710.74	-
Balance as at April 1, 2018	15.32	195.09	8,222.10	200.57	77.67	8,710.74	-
Depreciation / amortisation for the year	7.11	90.58	3,982.18	93.12	36.06	4,209.05	-
Disposals	-	-	-	-	-	-	-
Balance as at March 31, 2019	22.43	285.67	12,204.28	293.69	113.73	12,919.79	-

Carrying Amount (Net)	Other Intangible assets					Total Other Intangible Assets	Capital Work in progress
	Plantation	Toll Plaza	Major Maintenance	Weigh In Motion	Computer Toll System		
As at March 31, 2018	8.30	105.68	4,645.89	108.64	42.07	4,910.58	-
As at March 31, 2019	1.19	15.10	663.70	15.52	6.01	701.52	-

(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, 2019	As at March 31, 2018
Investment in subsidiaries		
Equity instruments - Unquoted		
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	-
Investment in Fellow Subsidiaries		
In Other Equity		
Patel Shethiyahopu Cholapuram Highway Private Limited	2,150.00	180.00
Total	4,901.10	931.10

Note 6.1 : Refer Note 29 for Related party transactions and outstanding balances.

Note 7 : Other Non current financial assets

Particulars	As at March 31, 2019	As at March 31, 2018
Non current		
Security deposit and retention money	-	165.02
Fixed Deposits - Maturing within 12 months from reporting date*	-	154.75
Total	-	319.77

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

Note 7.1 Refer Note 29 for Related party transactions and outstanding balances.

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

Particulars	As at March 31, 2019	As at March 31, 2018
Deferred Tax Assets		
Provision for Gratuity	2.72	7.99
MAT Credit Entitlement	471.38	277.59
Total	474.10	285.58

Note 9 : Other Non current assets

Particulars	As at March 31, 2019	As at March 31, 2018
Security Deposit and retention money	2.34	2.85
Advance for capital goods	0.36	26.51
Total	2.70	29.36

Note 10 : Investments

Particulars	As at March 31, 2019	As at March 31, 2018
Principal PNB Fixed Maturity Plan – Series B17 - Regular Plan Growth	-	1,000.00
Total	-	1,000.00

Note 11 : Trade receivables

Particulars	As at March 31, 2019	As at March 31, 2018
Unsecured, considered good	58.53	-
Total	58.53	-

Note 12 : Cash and Bank Balance

Particulars	As at March 31, 2019	As at March 31, 2018
Cash and Cash Equivalents		
a) Balance with banks		
- In Current Accounts*	828.02	3,250.37
b) Cash on hand	192.04	160.01
Total	1,020.06	3,410.38
(B) Bank balances other than Cash and Cash equivalents		
Fixed Deposits - Maturing within 12 months from reporting date**	175.22	1,169.72
Total (B)	175.22	1,169.72
Total (A+B)	1,195.28	4,580.10

* Including balance in Escrow account of Rs. 502.38 Lakhs (P.Y. 1,983.52 Lakhs).

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

Note 13 : Other Current financial assets

Particulars	As at March 31, 2019	As at March 31, 2018
Security deposits and retention money	229.64	18.15
Total	229.64	18.15

Note 14 : Current tax assets (Net)

Particulars	As at March 31, 2019	As at March 31, 2018
Current tax assets	592.92	676.72
Current tax liabilities	193.21	148.71
Current tax assets (Net)	399.71	528.01

Note 15 : Other current assets

Particulars	As at March 31, 2019	As at March 31, 2018
Prepaid Expenses	38.81	37.31
Balance with Government Authorities	19.96	60.83
Advance to Suppliers	6.20	1.12
Other current assets	0.53	1.29
Total	65.50	100.56

Note 16 : Share capital

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

Particulars	As at March 31, 2019	As at March 31, 2018
Authorised:		
75,00,000 Equity Shares of Rs.10/- each	750.00	750.00
Issued, Subscribed & fully Paid up :		
75,00,000 Equity Shares of Rs.10/- each	750.00	750.00
Total	750.00	750.00

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

Particulars	As at March 31, 2019	As at March 31, 2018
Equity Shares at the beginning of the year	75,00,000	75,00,000
Add: Bonus Shares issued during the year	-	-
Equity Shares at the end of the year	75,00,000	75,00,000

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

Particulars	As at March 31, 2019	As at March 31, 2018
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.

Note 17 : Other Equity

Particulars	As at March 31, 2019	As at March 31, 2018
Retained earnings - Surplus of Profit and Loss		
Balance at the beginning of the year	5,301.35	4,396.82
Profit attributable to owners of the Company	963.60	904.53
Balance at the end of the year	6,264.95	5,301.35
Other Comprehensive Income - Remeasurement of Defined Benefit Plans		
Balance at the beginning of the year	2.86	0.35
Actuarial Gain / Loss on Defined Benefit Plans	16.20	2.51
Balance at the end of the year	19.06	2.86
Total Other Equity	6,284.01	5,304.21

Note 18 : Long Term Provisions

Particulars	As at March 31, 2019	As at March 31, 2018
Provision for Gratuity	7.78	24.47
Total	7.78	24.47

Note 18.1: Refer note 31 for details relating to employee benefits.

Note 19 : Trade payables

Particulars	As at March 31, 2019	As at March 31, 2018
(a) To Micro, Small and Medium Enterprises (Refer Note 19.2)	-	-
(b) Others	1,079.02	2,794.87
Total	1,079.02	2,794.87

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

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

Note 19.3 : Refer Note 29 for Related party transactions and outstanding balances.

Note 20 : Other current financial liabilities

Particulars	As at March 31, 2019	As at March 31, 2018
Current maturities of long term borrowings		
- From Banks	-	3,928.64
Employee Related dues	33.48	45.51
Sundry Creditors for Capital Expenditure	17.03	2.60
Deposit from vendor	38.22	64.06
Total	88.73	4,040.82

Note 21 : Short Term Provisions

Particulars	As at March 31, 2019	As at March 31, 2018
Provision for Gratuity	2.01	6.26
Total	2.01	6.26

Note 21.1: Refer note 29 for details relating to employee benefits.

Note 22 : Other current liabilities

Particulars	As at March 31, 2019	As at March 31, 2018
Statutory liabilities	34.41	53.97
Advances from customers	6.04	8.75
Total	40.45	62.72

Note 23 : Revenue from Operations

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Toll Collection Income	23,929.01	23,564.77
Work Income	394.70	86.94
Total Revenue from Operations	24,323.71	23,651.71

Note 24 : Other Income

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Interest on Deposits with Banks	73.17	60.98
Other Interest	24.22	88.54
Profit on sale of Investment in Mutual Fund	41.76	123.52
Insurance Claim Received	45.11	169.98
Interest Income on Security and Other Deposits	21.98	18.01
Miscellaneous Income	-	13.62
Profit on sale of item of Property, Plant and Equipment	1.40	0.76
Total	207.64	475.42

Note 25 : Operation and Maintenance Expense

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Works and Labour contract expense	47.65	125.13
Power and Fuel	106.61	99.81
Technical Consultancy	103.98	74.81
Concession Fees	13,847.63	12,740.95
Project Maintenance	3,826.57	3,684.11
Running & Maintenance of Plant and Machinery	1.46	3.26
Consumption of Spares, Tools and Consumables	47.45	23.45
Incident Management Expenses	0.22	0.23
Total	17,981.57	16,751.74

Note 25.1 Refer Note 29 for Related party transactions.

Note 26 : Employee Benefits Expenses

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Salaries, Wages and Incentives	287.08	380.27
Gratuity Expenses	3.97	7.94
Staff Welfare Expenses	49.15	25.60
Total	340.20	413.81

Note 26.1 Refer Note 29 for Related party transactions.

Note 27 : Finance Costs

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Interest on long term borrowings	34.33	610.74
Other Borrowing Costs	3.06	8.98
Total	37.39	619.72

Note 28 : Other Expenses

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Payment to Auditors (Refer Note 35)	3.00	3.00
Electricity Expenses	14.86	11.04
Rent	25.75	26.89
Duties and Taxes	519.77	448.86
Insurance	69.12	77.41
Security Service Charges	171.49	147.46
Repair & Maintenance expense	98.18	256.42
Interest on Statutory Dues	0.05	1.40
Communication Expenses	2.19	2.78
Travelling and Conveyance	14.44	13.29
Donations	2.33	5.58
Stationery & Printing Expenses	6.28	6.75
Professional Fees	9.51	12.96
Miscellaneous Expenses	37.64	46.83
Total	974.61	1,060.67

Related Parties Transactions with related parties for the year ended March 31, 2019 and March 31, 2018 and Outstanding Balances as at March 31, 2019 and March 31, 2018:

Particulars	For the year ended	
	March 31, 2019	March 31, 2018
Holding Company	Patel Infrastructure Limited	Patel Infrastructure Limited
Fellow Subsidiary Companies	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	-
Key Management Personnel (KMP)	Pravinbhai Patel (Director)	Pravinbhai Patel (Director)
	Arvindbhai Patel (Director)	Arvindbhai Patel (Director)
	Yogeshkumar Madhusudhan Bhatt (Company Secretary)*	Yogeshkumar Madhusudhan Bhatt (Company Secretary)
* Resigned w.e.f. May 31, 2019		
Relatives of KMP	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
	Shweta Madhubhai Vaviya - Daughter of Madhubhai Vaviya - Share holder & Director of Holding Company	Shweta Madhubhai Vaviya - Daughter of Madhubhai Vaviya - Share holder & Director of Holding Company

Particulars	For the year ended	
	March 31, 2019	March 31, 2018
Enterprises over which KMP and/or Relatives of KMP are able to exercise significant Influence	V G Patel Foundation	V G Patel Foundation
	Patel Structural Private Limited	Patel Structural Private Limited
	The Trilium	The Trilium
	Swan Medicot LLP (January 16, 2019)	-
	Patel Taxcot Pvt Ltd (September 21, 2018)	-

Related Party Transactions : Holding Company

Particulars	For the year ended	
	March 31, 2019	March 31, 2018
Sub Contracting Expense		
Patel Infrastructure Limited	3,924.77	3,720.51
Construction of Road Overlaying		
Patel Infrastructure Limited	-	520.54
Mobilisation Advance Paid during the year		
Patel Infrastructure Limited	-	19.28
Mobilisation Advance adjusted during the year		
Patel Infrastructure Limited	-	238.87
Trade Payable		
Patel Infrastructure Limited	814.56	2,538.25
Security deposit retained During the year		
Patel Infrastructure Limited	0.64	4.56
Security deposit released During the year		
Patel Infrastructure Limited	4.56	49.68
Closing Balance of Security Deposit		
Patel Infrastructure Limited	186.36	182.44
Loan Taken During the Year		
Patel Infrastructure Limited	58.72	-
Loan Repaid During the Year		
Patel Infrastructure Limited	71.58	-
Closing Balance of Loan		
Patel Infrastructure Limited	0.31	13.17
Corporate Guarantees Released during the year		
Patel Infrastructure Limited	3,891.00	3,621.00
Corporate Guarantees at the end of the year		
Patel Infrastructure Limited	-	3,891.00
Bank Guarantees released during the year		
Patel Infrastructure Limited	3,500.00	-
Outstanding Bank Guarantees at the end of year		
Patel Infrastructure Limited	-	3,500.00

Related Party Transactions : Fellow Subsidiary Companies

Particulars	As at	
	March 31, 2019	March 31, 2018
Investments in Equity Instrument		
Made during the year		
Patel Shethiyahopu Cholapuram Highway Private Limited	2,000.00	-
Closing Balance of Investment		
Patel Shethiyahopu Cholapuram Highway Private Limited	2,000.00	-
Patel Bridge Nirman Private Limited	751.10	751.10
Investment in Other Equity		
Made during the Year		
Patel Shethiyahopu Cholapuram Highway Private Limited	3,970.00	1,800.00
Converted into equity during the year		
Patel Shethiyahopu Cholapuram Highway Private Limited	2,000.00	-
Closing balance of Investments (Other Equity)		
Patel Shethiyahopu Cholapuram Highway Private Limited	2,150.00	180.00
Loan Given During the year		
Patel Cholapuram Thanjvur Highway Private Limited	-	114.32
Loan received back During the year		
Patel Cholapuram Thanjvur Highway Private Limited	-	114.32
Closing Balance of Loan Given		
Patel Cholapuram Thanjvur Highway Private Limited	-	-

Related Party Transactions : Key Management Personnel

Particulars	As at	
	March 31, 2019	March 31, 2018
Remuneration		
Yogeshkumar Bhatt	10.20	7.53
Bonus		
Yogeshkumar Bhatt	0.20	0.20

Amount Payable : Key Management Personnel

Particulars	As at	
	March 31, 2019	March 31, 2018
Remuneration		
Yogeshkumar Bhatt	0.77	0.59
Bonus		
Yogeshkumar Bhatt	0.20	0.20

Related Party Transactions : Relatives of KMP

Particulars	For the year ended	
	March 31, 2019	March 31, 2018
Salary		
Smitaben Pravinbhai Patel	12.00	10.00
Ramaben Dineshbhai Vaviya	9.60	8.00
Sangitaben Madhubhai Vaviya	9.60	8.00
Rekhaben Sureshbhai Vaviya	6.00	5.00
Bonus		
Smitaben Pravinbhai Patel	0.20	-
Ramaben Dineshbhai Vaviya	0.20	-
Sangitaben Madhubhai Vaviya	0.20	-
Rekhaben Sureshbhai Vaviya	0.20	-
Stipend		
Abhishekbhai Sureshbhai Vaviya	3.60	1.20

Amount payable : Relatives of KMP

Particulars	As at	
	March 31, 2019	March 31, 2018
Salary		
Smitaben Pravinbhai Patel	0.90	1.00
Ramaben Dineshbhai Vaviya	0.67	0.71
Sangitaben Madhubhai Vaviya	0.70	0.75
Rekhaben Sureshbhai Vaviya	0.48	0.50
Bonus		
Smitaben Pravinbhai Patel	0.20	-
Ramaben Dineshbhai Vaviya	0.20	-
Sangitaben Madhubhai Vaviya	0.20	-
Rekhaben Sureshbhai Vaviya	0.20	-
Stipend		
Abhishekbhai Sureshbhai Vaviya	0.30	0.30

A Categories of Financial Instruments

Particulars	Amount as at March 31, 2019			
	Fair Value through Profit & Loss	Fair Value through Other Comprehensive Income	Amortised Cost	Total
Financial assets				
(i) Investments	-	-	4,901.10	4,901.10
(ii) Trade Receivable	-	-	58.53	58.53
(iii) Cash and cash equivalents	-	-	1,195.28	1,195.28
(iv) Other Current financial assets	-	-	229.64	229.64
Total	-	-	6,384.56	6,384.56
Financial liabilities				
(i) Trade payables	-	-	1,079.02	1,079.02
(ii) Borrowings	-	-	-	-
(iii) Other financial liabilities	-	-	88.73	88.73
Total	-	-	1,167.75	1,167.75

Particulars	Amount as at March 31, 2018			
	Fair Value through Profit & Loss	Fair Value through Other Comprehensive Income	Amortised Cost	Total
Financial assets				
(i) Investments	1,000.00	-	931.10	1,931.10
(ii) Cash and cash equivalents	-	-	4,580.10	4,580.10
(iii) Other financial assets	-	-	337.92	337.92
Total	1,000.00	-	5,849.12	6,849.12
Financial liabilities				
(i) Trade payables	-	-	2,794.87	2,794.87
(ii) Borrowings	-	-	3,928.64	3,928.64
(iii) Other financial liabilities	-	-	112.18	112.18
Total	-	-	6,835.69	6,835.69

B Capital Management

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

Particulars	As at March 31, 2019	As at March 31, 2018
Long Term Borrowings	-	3,928.64
Short Term Borrowings	-	-
Less: Cash & Cash Equivalents	1,020.06	3,410.38
Net Debt	(1,020.06)	518.26
Total equity	7,034.01	6,054.21
Total Capital	7,034.01	6,054.21
Gearing Ratio	0.00%	8.56%

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

C Financial risk management objectives and policies

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

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

1 Market Risk

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

2 Interest Rate risk

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

3 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.

4 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
As at March 31, 2019				
Borrowings	-	-	-	-
Trade Payables	1,079.02	-	-	1,079.02
Other Financial Liabilities	55.25	-	-	55.25
As at March 31, 2018				
Borrowings	3,928.64	-	-	3,928.64
Trade Payables	2,794.87	-	-	2,794.87
Other Financial Liabilities	66.67	-	-	66.67

Note 31 : Employee Benefits

(a) Defined Benefit Plan:

Gratuity

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

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

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
i. Reconciliation of Opening and Closing Balances of defined benefit obligation		
Present Value of Defined Benefit Obligations at the beginning of the Year	30.73	26.66
Current Service Cost	1.70	6.15
Past service Cost	-	-
Interest Cost	2.27	1.79
Benefit paid	-	-
Change in financial assumptions	0.14	(0.82)
Experience variance (i.e. Actual experience vs assumptions)	(25.04)	(3.04)
Present Value of Defined Benefit Obligations at the end of the Year	9.79	30.73

Particulars	As at March 31, 2019	As at March 31, 2018
ii. Reconciliation of the Present value of defined benefit obligation and Fair value of plan assets		
Present Value of Defined Benefit Obligations at the end of the Year	9.79	30.73
Fair Value of Plan assets at the end of the Year	-	-
Net Asset / (Liability) recognized in balance sheet as at the end of the Year	9.79	30.73

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
iii. Gratuity Cost for the Year		
Current service cost	1.70	6.15
Interest Cost	2.27	1.79
Expenses recognised in the income statement	3.97	7.94

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
iv. Other Comprehensive Income		
Actuarial (Gain) / loss	-	-
Change in financial assumptions	0.14	(0.82)
Experience variance (i.e. Actual experience vs assumptions)	(25.04)	(3.04)
Return on plan assets, excluding amount recognised in net interest expense	-	-
Components of defined benefit costs recognised in other comprehensive income	(24.90)	(3.86)

v. Actuarial Assumptions

Particulars	As at March 31, 2019	As at March 31, 2018
Discount Rate (per annum)	7.00%	7.40%
Annual Increase in Salary Cost	10.00%	10.00%
Rate of Employee Turnover	25.00%	25.00%

Mortality Rates as given under Indian Assured Lives Mortality (2006-08)

Note 31 : Employee Benefits

vi. Sensitivity Analysis

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

(₹ in lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Defined Benefit Obligation(Base)	9.79	30.73

Particulars	As at March 31, 2019		As at March 31, 2018	
	Decrease	Increase	Decrease	Increase
Discount Rate (- / + 1%)	0.34	0.36	1.10	1.19
(% change compared to base due to sensitivity)	3.45%	3.70%	3.58%	3.87%
Salary Growth Rate (- / + 1%)	0.33	0.35	1.08	1.15
(% change compared to base due to sensitivity)	3.39%	3.57%	3.53%	3.73%

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

a) Maturity Profile of Defined Benefit Obligation

Weighted Average duration of the defined benefit obligation - 6 years

(₹ in lakhs)

Particulars	As at March 31, 2019	As at 31st March, 2018
Duration of the defined benefit obligation		
1st Following Year	2.01	6.26
2nd Following year	1.55	4.91
3rd Following Year	1.25	4.19
4th Following Year	1.14	3.46
5th Following Year	1.02	2.84
Above 5	2.82	9.08
Total	9.79	30.73

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

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

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

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

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

Note 32 : 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, 2019	March 31, 2018
Gross Amount required to be spent by the Company	8.96	5.03
Amount Spent during the year towards activities specified in CSR Policy	-	-
Related Party Transactions in relation to Corporate Social Responsibility	-	-

Note 33 : Basic and Diluted Earnings Per Share

Particulars	For the year ended	
	March 31, 2019	March 31, 2018
Earnings per equity share		
Profit attributable to equity shareholders (Rs. In Lakhs)	963.60	904.53
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 (Rs. Per Share)	12.85	12.06

Note 34 : Contingent liabilities and Capital Commitments

Particulars	As at	
	March 31, 2019	March 31, 2018
Claims against the Company not acknowledged as debt	8.80	8.80

There are no capital commitments as at the reporting date.

Note 35 - Payment to Auditors

Particulars	As at	
	March 31, 2019	March 31, 2018
For Audit	2.00	2.00
For Taxation matters	1.00	1.00
Total	3.00	3.00

(₹ in lakhs)

A. Amount Recognised in Profit and Loss

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Current income tax:		
Current income tax charge	193.21	148.71
(Excess) / Short provision of earlier periods	(30.44)	(33.11)
Deferred tax:		
Relating to origination and reversal of temporary differences	(197.22)	(277.70)
Total	(34.45)	(162.10)

B. Income Tax in Other Comprehensive Income

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Deferred tax:		
Remeasurements gains and losses on post employment benefits	(8.70)	(1.35)
Income tax expense reported in the statement of other comprehensive income	(8.70)	(1.35)

C. Reconciliation of effective tax rate

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Accounting profit before tax	929.15	742.43
Applicable Income tax rate	27.82%	34.61%
Computed expected tax expense	258.49	256.94
Deferred Tax expenses accounted in books	(197.22)	(277.70)
Effect of expense not allowed for tax purpose	1,190.63	1,574.01
Effect of expense allowed for tax purpose	(1,312.42)	(1,761.71)
Effect of Deductions Claimed for tax purpose	(136.70)	(69.24)
(Excess) / Short provision of earlier periods	(30.44)	(33.11)
Ind AS Adjustments	-	-
Others	-	-
Tax on book profit as per Minimum Alternate Tax	193.21	148.71
Income tax expense	(34.45)	(162.10)
Income tax expense reported in the statement of profit and loss	(34.45)	(162.10)

D. Recognized deferred tax assets and liabilities

Particulars	Balance as at April 1, 2017	Recognized in profit or loss during 2017-18	Recognized in OCI during 2017-18	Balance as at March 31, 2018	Balance as at April 1, 2018	Recognized in profit or loss during 2018-19	Recognized in OCI during 2018-19	Balance as at March 31, 2019
Deferred Tax Assets								
Provision for Gratuity	9.23	0.11	1.35	7.99	7.99	3.44	8.70	2.72
MAT Credit Entitlement	-	277.59	-	277.59	277.59	193.78	-	471.38
Total	9.23	277.70	1.35	285.58	285.58	197.22	8.70	474.10

Note 37 : Disclosure pursuant to Appendix - D to Ind AS 115 - "Revenue from Contract with Customer"

37.1 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.

37.2 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.

37.3 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.

37.4 Classification of the Concession

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

37.5 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.

37.6 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

(a) Based on type of Services

(₹ in Lakhs)

Particulars	For the year ended March 31, 2019
Toll Collection Income	23,929.01
Work Income	394.70
Adjustments for:	
Price variations	-
Revenue from Contracts	24,323.71

2 Movement of Contract Balances

(i)

Advance from Customers	For the year ended March 31, 2019
Opening Balance	8.75
Advance Received during the year	6.04
Advance Adjusted / Recovered	8.75
Closing Balance	6.04

(ii)

Financial Asset	For the year ended March 31, 2019
Opening Balance	17.88
Recognised during the year	24.05
Receipt during the year	-
Closing Balance	41.93

Note 38 :

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, S. D. Patel
Partner
Membership No.: 037671
Place : Vadodara
Date : September 10, 2019

Pravinbhai Patel
Chairman & Director
DIN: 00008911
Place : Vadodara
Date : September 10, 2019

Arvindbhai Patel
Director
DIN: 00009089