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Annual Report 2019-20  
of  
Patel Bridge Nirman Private Limited

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**DIRECTORS' REPORT**

To,  
The Members,  
**Patel Bridge Nirman Private Limited,**

Your directors have presented their **9<sup>th</sup> Annual Report** together with Audited Accounts of the Company and Auditors' Report thereon for the year ended on 31<sup>st</sup> March, 2020.

**FINANCIAL SUMMARY/RESULTS**

The Company's financial performance on standalone basis, for the year ended March 31, 2020 is summarized below:

PARTICULARS	2019-20 (Rs. In Lakhs)	2018-19 (Rs. In Lakhs)
Total Income	2691.62	2758.40
Total Expenditure	2004.80	2303.87
Profit before Taxation	<b>686.82</b>	<b>454.53</b>
Tax expense:		
1. Current Tax	156.48	145.14
2. Short/Excess Provision for tax of earlier years	1.71	6.81
3. Deferred Tax	(156.48)	(145.14)
Profit/Loss after Tax	<b>685.11</b>	<b>447.72</b>
Other Comprehensive Income for the year	-	-
Total Comprehensive Income for the Year	<b>685.11</b>	<b>447.72</b>
Profit attributable to equity shareholders	<b>685.11</b>	<b>447.72</b>

**CURRENT DEVELOPMENT**

The Company is getting regular annuity from R & BD Gujarat after successful completion of construction of ROBs. The Company is also maintaining the constructed ROBs.

The Company's Total Operational Income was Rs. 2691.62 Lakhs (Wherein Interest income on service concession arrangements was 1818.61 Lakhs out of total Income) during the year under reviewed. The profit after tax during the year under report was amounted to Rs. 685.11 Lakhs. The Directors are hopeful for healthier financial results in the coming years.

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

The Company is Joint Venture 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 company i.e Patel Highway Management Private Limited.

Further, The Company has no Subsidiary and Associates Company, thus AOC-1 has not applicable.

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

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

### EXTRACT OF ANNUAL RETURN

The extract of Annual Return required under Section 134(3(a) of the Companies Act, 2013 read with rule 12(1) of the Companies (Management and Administration) Rules, 2014, in Form MGT-9, for the Financial Year ended 31st March, 2020 is annexed herewith as Annexure - II and forms part of the Director Report and available on the Company's Website <https://www.patelinfra.com>.

### PARTICULAR OF BOARD MEETINGS DURING THE YEAR

Sr. No.	Type of Meeting/ Postal ballot/Circular Resolution, etc.	Number of meeting / circular resolution passed, etc.	Dates of Meetings held during Financial year 2019-20
1.	Board Meetings	5(Five)	01.04.2019, 22.05.2019, 10.09.2019, 14.11.2019 and 09.03.2020

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 KEY MANAGERIAL PERSONS

There is no change among Directors and none of the Directors are liable to retire by rotation in terms of provision of the Articles of Association. During the year, Mr. Vinay Rajput, Company Secretary has resigned w.e.f May 31, 2019.

## 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 11<sup>th</sup> 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.

## 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 same detail has been provided in AOC- 2

## DIVIDEND:

During the Financial Year ended March 31, 2020, the Company paid an interim dividend of Rs. 3.00 (30%) per equity share amounting to Rs. 5,03,55,000.00. The Directors recommend payment of final dividend of Rs. 10.80 (108%) per equity share of Rs. 10 each amounting 18,12,78,000.00 to Rs. for FY 2020 out of surplus/retain earning as on March 31, 2020.

The total dividend for FY 2020, including the final dividend, if approved by shareholders, would amount to Rs.13.80 (138%) per equity share.

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

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

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

### 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. 8.12 Lakhs (PY 7.18 Lakhs) 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.

## 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.

Suggestions for improvement are considered by board time to times.

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

In order to provide women employees a safe working environment at workplace and also in compliance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules framed thereunder, the Company has formulated a well-defined policy on prevention, prohibition and redressal of complaints relating to sexual harassment of women at the workplace. No complaints pertaining to sexual harassment of women employees from any of the Company's locations were received during the year ended March 31, 2020.

## 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.

## COVID-19 PENDAMIC

That due to COVID-19 pandemic government had initially imposed Janata Curfew on 22.03.2020 and subsequent the countrywide lockdown with effect from March 25, 2020 which got extended till June 30, 2020 with certain relaxations in place.

The top-most priority for the Company was to ensure the safety of its employees. The Company has taken several measures to ensure their well-being including leveraging the power of technology to enable them to work from home and decided to adopt remote working as an integral part of our business and continuity plans.

The Company's main income is from Annuity from Government of Gujarat, Road and Building Department, Gandhinagar, and project already been completed. Hence, as per management opinion no major impact foreseen on company performance and financials due to covid-19 pandemic.

## GENERAL

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

1. transfer any amount to reserves, pursuant to proviso of section 133(3) (j) of Companies Act, 2013
2. The provision of Section 135 of the Act with respect to Corporate Social Responsibility (CSR) is not applicable to the Company, hence, there is no need to develop policy on CSR and take initiative thereon.
3. Issue of equity shares with differential rights as to dividend, voting or otherwise.
4. Issue of shares (including sweat equity shares) to employees of the Company under any scheme save and except ESOS referred to in this Report.
5. No 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. The Company also expresses their sincere gratitude towards different government and other authorities including R & BD, Gujarat 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. The Board hopes for the contribution and co-operation from all stakeholders in upcoming time also.

By Order of the Board of Directors

For and on behalf of Board

Place: Vadodara  
Date: 31.08.2020

Pravinbhai V. Patel- 00008911  
Chairman & Director

### Attachment:

1. AOC -2: Particulars of Contract Or Arrangements With Related Parties
2. MGT- 9: Extract of Annual Return

Patel Bridge Nirman Private Limited  
CIN: U45202GJ2011PTC066793



Form No. AOC-2

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

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

1. Details of contracts or arrangements or transactions not at Arm's length basis: There were no contracts or arrangements or transactions entered in to during the year ended March 31, 2020, which were not at arm's length basis.
2. Details of contracts or arrangements or transactions at Arm's length basis:

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Amount (Rs. In Lakhs )
Patel Infrastructure Limited – Holding Company	Sub - Contract Related Service	As per Sub - Contract	Sub – Contract Expenditure	461.03
Kaminiben Arvindbhai Patel	Salary	As per Appointment Letter/Resolution	Salary	12.00

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.

Place: Vadodara  
Date: 31.08.2020

By Order of the Board of Directors  
For and on behalf of Board

Pravinbhai V. Patel- 00008911  
Chairman & Director



**FORM NO. MGT 9**

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

**EXTRACT OF ANNUAL RETURN**

**As on the financial year ended on 31/03/2020**

I	<b>REGISTRATION &amp; OTHER DETAILS:</b>	
i	CIN	U45202GJ2011PTC066793
ii	Registration Date	17-Aug-11
iii	Name of the Company	PATEL BRIDGE NIRMAN PRIVATE LIMITED
iv	Category of the Company	Company Limited By Shares
v	<b>Address of the Registered office &amp; contact details</b>	
	Address :	"Patel House", Beside Prakruti Resort, Chhani Road, Chhani-391740
	Town / City :	Vadodara
	State :	Gujarat
	Country Name :	India
	Telephone (with STD Code) :	0265- 277 6678
	Fax Number :	0265-277 7878
	Email Address :	<a href="mailto:ho@patelinfra.com">ho@patelinfra.com</a>
	Website, if any:	N.A
vi	Whether listed company	N.A

**Patel Bridge Nirman Private Limited**  
CIN: U45202GJ2011PTC066793



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

**Patel Bridge Nirman Private Limited**  
CIN: U45202GJ2011PTC066793



III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -					
No. of Companies for which information is being filled			1		
Sr. No.	Name and Address of Company	CIN/GLN	Holding /Subsidiary /Associate	% of shares held	Applicable Section
1	Patel Infrastructure Limited	U45201GJ2004PLC043955	Holding Company	74 %  (Where As 29.25 % direct Stake and rest 44.75 % Stake routed through its Wholly Own Subsidiary Patel Highway Management Private Limited)	2 ( 46)

**Patel Bridge Nirman Private Limited**  
CIN: U45202GJ2011PTC066793



IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)									
i. Category-wise Share Holding									
Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoter s</b>									
<b>(1) Indian</b>									
a) Individual/HUF	-	-	-	-	-	-	-	-	0%
b) Central Govt	-	-	-	-	-	-	-	-	0%
c) State Govt(s)	-	-	-	-	-	-	-	-	0%
d) Bodies Corp.	-	16,785,000	<b>16,785,000</b>	100%	-	16,785,000	<b>16,785,000</b>	100%	0%
e) Banks / FI	-	-	-	-	-	-	-	-	0%
f) Any other	-	-	-	-	-	-	-	-	0%
<b>(2) Foreign</b>									
a) NRI - Individual/	-	-	-	-	-	-	-	-	0%
b) Other - Individual/	-	-	-	-	-	-	-	-	0%
c) Bodies Corp.	-	-	-	-	-	-	-	-	0%
d) Banks / FI	-	-	-	-	-	-	-	-	0%
e) Any Others	-	-	-	-	-	-	-	-	0%
<b>Total shareholding of Promoter (A)</b>	-	<b>16,785,000</b>	<b>16,785,000</b>	<b>100%</b>	-	<b>16,785,000</b>	<b>16,785,000</b>	<b>100%</b>	<b>0%</b>

Patel Bridge Nirman Private Limited  
CIN: U45202GJ2011PTC066793



<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	-	-	-	-	-	-	-	-	0%
b) Banks / FI	-	-	-	-	-	-	-	-	0%
c) Central Govt	-	-	-	-	-	-	-	-	0%
d) State Govt(s)	-	-	-	-	-	-	-	-	0%
e) Venture Capital Funds	-	-	-	-	-	-	-	-	0%
f) Insurance Companies	-	-	-	-	-	-	-	-	0%
g) FIs	-	-	-	-	-	-	-	-	0%
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	0%
i) Others (specify)	-	-	-	-	-	-	-	-	0%
<b>Sub-total (B)(1):-</b>	-	-	-	-	-	-	-	-	-

**Patel Bridge Nirman Private Limited**  
CIN: U45202GJ2011PTC066793



<b>2. Non-Institutions</b>	-	-	-	-	-	-	-	-	-
a) Bodies Corp.	-	-	-	-	-	-	-	-	-
i) Indian	-	-	-	-	-	-	-	-	0%
ii) Overseas	-	-	-	-	-	-	-	-	0%
b) Individuals	-	-	-	-	-	-	-	-	0%
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	-	-	-	-	-	-	-	-	0%
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	-	-	-	-	-	-	-	0%
c) Others (specify)	-	-	-	-	-	-	-	-	0%
<b>Sub-total (B)(2):-</b>	-	-	-	-	-	-	-	-	-
<b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>	-	-	-	-	-	-	-	-	-
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	-	-	-	-	-	-	-	-	0%
<b>Grand Total (A+B+C)</b>	-	16,785,000	16,785,000	100%	-	16,785,000	16,785,000	100%	-

Patel Bridge Nirman Private Limited  
CIN: U45202GJ2011PTC066793



ii Shareholding of Promoters								
Sl No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	
1	M/s. Patel Infrastructure Ltd.	49,09,900	29.25%	0%	49,09,900	29.25%	0%	0%
2	M/s. Ajay Engi-Infrastructure Pvt. Ltd.	43,64,100	26.00%	0%	43,64,100	26.00%	0%	0%
3	M/s. Patel Highway Management Pvt. Ltd.	75,11,000	44.75%	0%	75,11,000	44.75%	0%	0%
	TOTAL	1,67,85,000	100.00%	-	1,67,85,000	100.00%	-	-

# Patel Bridge Nirman Private Limited

CIN: U45202GJ2011PTC066793



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	

**\*\*Note: There is no change in Promoter Shareholding during the Year.**



Patel Bridge Nirman Private Limited  
CIN: U45202GJ2011PTC066793



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

**Patel Bridge Nirman Private Limited**  
CIN: U45202GJ2011PTC066793



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

V INDEBTEDNESS (In Lakhs)				
Indebtedness of the Company including interest outstanding/accrued but not due for payment				
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	13,475.00	-	-	13,475.00
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	110.03	-	-	110.03
<b>Total (i+ii+iii)</b>	<b>13,585.03</b>	-	-	<b>13,585.03</b>
Change in Indebtedness during the financial year	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
* Addition	-	-	-	-
* Reduction	1,183.03	-	-	1,183.03
Net Change		-	-	-
Indebtedness at the end of the financial year	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
i) Principal Amount	12,402.00	-	-	12,402.00
ii) Interest due but not paid		-	-	
iii) Interest accrued but not due	109.55	-	-	109.55
<b>Total (i+ii+iii)</b>	<b>12,511.55</b>			<b>12,511.55</b>

**Patel Bridge Nirman Private Limited**  
CIN: U45202GJ2011PTC066793



<b>VI.</b>	<b>REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL</b>					
<b>A.</b>	<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>B.</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					
<b>Overall Ceiling as per the Act - Not Applicable as company is Private Limited Company.</b>						
<b>C.</b>	<i>REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD</i>					
			<b>Key Managerial Personnel ( In Lakhs)</b>			
	<b>Sl. no.</b>	<b>Particulars of Remuneration</b>	<b>CEO</b>	<b>Vinay Rajput- CS</b>	<b>CFO</b>	<b>Total</b>
	1	Gross salary	-	0.55	-	0.55
		(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	0.55	-	0.55
		(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	-	-	-	-
		<b>Total</b>	-	<b>0.55</b>	-	<b>0.55</b>

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.

By order of the Board of Director  
For, Patel Bridge Nirman Private Limited.

Pravinbhai V. Patel  
Chairman & Director  
DIN: 00008911

Date: 31.08.2020  
Place: Vadodara

## INDEPENDENT AUDITOR'S REPORT

To,  
**THE MEMBERS OF PATEL BRIDGE NIRMAN 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 BRIDGE NIRMAN PRIVATE LIMITED (“the Company”)** (CIN: **U45202GJ2011PTC066793**), which comprise the Balance Sheet as at 31<sup>st</sup> March 2020, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash flows for the year then ended and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ('The Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standard) Rules, 2015, as amended and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and Profit, Changes in equity and its cash flows for the year ended on that date.

### **Basis for Opinion**

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

### **Emphasis of Matter**

We draw attention to Note 33 of the accompanying financial results, as regards the management's evaluation of COVID-19 impact on the operations and assets of the Company.

Our report is not modified in respect of this matter.

### **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.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

### **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, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure B”.
- g) As being Private Limited Company, the requirement of the other matters to be included in the Independent Auditor’s Report in accordance with the requirements of section 197(16) of the Act, as amended is not applicable.
- h) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company does not have any pending litigations having impact on its financial position.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

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

**Per, S.D. Patel**  
Partner  
Membership No: 037671  
**UDIN: 20037671AAAAGL8891**

Date: August 31, 2020  
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 Bridge Nirman Private Limited for the year ended on 31st March, 2020.

- i) a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - b) The fixed assets have been physically verified during the year by the Management in accordance with program of physical verification, which in our opinion, provides for physical verification of all fixed assets at reasonable intervals having regard to size of the Company and nature of fixed assets. Based on our audit and according to the information and explanations given to us, no material discrepancies were noticed on such verification.
  - c) 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 not granted loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 189 of the Act, therefore the further reporting requirement of paragraph 3(iii) of the Order is not applicable.
- iv) The Company has not given loans or made investments or provided guarantees or security, attracting the provisions of sections 185 and 186 of the Act. Hence, reporting requirements of paragraph 3(iv) of the Order is not applicable.
- v) According to the information and explanations given to us the Company has not accepted deposits from the public within the meaning of Sections 73 to 76 of the Act, and the rules framed there under. Therefore, the reporting requirements of paragraph 3 (v) of the Order, is not applicable to the Company.
- vi) The company is not required to maintain cost records specified by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, and hence reporting with the respect to maintenance of cost is not applicable
- vii) (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company has been generally regular in depositing undisputed statutory dues, as applicable, with the appropriate authorities. There are no statutory dues outstanding as of March 31, 2020 for a period of more than six months.
  - (b) 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 for those mentioned below:

<b>Name of the Statute</b>	<b>Amount Demanded (Rs. In Lakhs)</b>	<b>Amount under Dispute Deposited</b>	<b>Period to which the amount relates</b>	<b>Forum where the dispute is pending</b>
Income Tax	17.47	-	AY 2016-17 relevant to FY 2015-16	CIT - Appeals

- 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:** 20037671AAAAGL8891

Date: August 31, 2020  
Place: Vadodara

## **Annexure 'B'**

### **Annexure to the Independent Auditor's Report of even date on the Standalone Ind AS Financial Statements of Patel Bridge Nirman Private Limited**

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

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

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

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

#### **Auditors' Responsibility**

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

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

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

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

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

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

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

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31<sup>st</sup>, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

**Per, S.D. Patel**  
Partner  
Membership No: 037671  
**UDIN:** 20037671AAAAGL8891

Date: August 31, 2020  
Place: Vadodara

(₹ in Lakhs)

Particulars	Note No.	As at March 31, 2020	As at March 31, 2019
<b>I. ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Property, Plant and Equipment	5	7.68	9.14
(b) Financial Assets			
(i) Other Non-current financial assets	6	15,521.93	16,454.78
(c) Deferred Tax Assets (Net)	7	479.00	322.53
(d) Other non-current assets	8	2.04	2.04
<b>Total Non-current Assets</b>		<b>16,010.65</b>	<b>16,788.49</b>
<b>2 Current assets</b>			
(a) Financial Assets			
(i) Cash and cash equivalents	9	137.39	136.27
(ii) Other current financial assets	10	1,388.41	1,295.79
(b) Other current assets	11	88.82	88.80
<b>Total Current assets</b>		<b>1,614.62</b>	<b>1,520.86</b>
<b>TOTAL ASSETS</b>		<b>17,625.27</b>	<b>18,309.36</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>1 Equity</b>			
(a) Equity share capital	12	1,678.50	1,678.50
(b) Other Equity	13	3,054.47	2,976.42
<b>Total Equity</b>		<b>4,732.97</b>	<b>4,654.92</b>
<b>2 Liabilities</b>			
<b>Non-current liabilities</b>			
(a) Financial Liabilities			
(i) Long term borrowings	14	11,398.55	12,511.78
<b>Total Non-current liabilities</b>		<b>11,398.55</b>	<b>12,511.78</b>
<b>3 Current liabilities</b>			
(a) Financial Liabilities			
(i) Trade payables	15	318.54	47.11
(ii) Other current financial liabilities	16	1,117.43	1,076.91
(b) Current Tax Liabilities (net)	17	50.87	17.41
(c) Other current liabilities	18	6.91	1.22
<b>Total Current liabilities</b>		<b>1,493.75</b>	<b>1,142.65</b>
<b>Total Liabilities</b>		<b>12,892.30</b>	<b>13,654.44</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>17,625.27</b>	<b>18,309.36</b>

As per our report of even date

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

**For and Behalf of the Board of Directors**  
**Patel Bridge Nirman Private Limited**  
CIN:U45202GJ2011PTC066793

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

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

Place : Vadodara  
Date : August 31, 2020

Place : Vadodara  
Date : August 31, 2020

Patel Bridge Nirman Private Limited  
CIN:U45202GJ2011PTC066793  
Profit and Loss Statement for the year ended March 31, 2020

( ₹ in lakhs)

Particulars		Note	For the year ended March 31, 2020	For the year ended March 31, 2019
<b>I</b>	<b>Revenue</b>			
	Revenue from Operations	19	601.98	957.22
	Other Income	20	2,089.64	1,801.18
	<b>Total Income</b>		<b>2,691.62</b>	<b>2,758.40</b>
<b>II</b>	<b>Expenses</b>			
	Operation & Maintenance Expenses	21	555.38	877.39
	Employee Benefits Expense	22	42.40	32.23
	Finance costs	23	1,363.10	1,344.40
	Depreciation and Amortization Expenses	5	1.46	1.46
	Other Expenses	24	42.46	48.39
	<b>Total Expenses</b>		<b>2,004.80</b>	<b>2,303.87</b>
<b>III</b>	<b>Profit Before Taxation</b>		<b>686.82</b>	<b>454.53</b>
<b>IV</b>	<b>Tax expense:</b>			
	(1) Current Tax	31	156.48	145.14
	(2) Short/(Excess) Provision For Tax Of Earlier Years	31	1.71	6.81
	(3) Deferred Tax	31	(156.48)	(145.14)
<b>V</b>	<b>Profit/(Loss) after Tax</b>		<b>685.11</b>	<b>447.72</b>
<b>VI</b>	Other Comprehensive Income		-	-
<b>VII</b>	<b>Total Comprehensive Income for the year</b>		<b>685.11</b>	<b>447.72</b>
<b>VIII</b>	<b>Earnings per equity share (EPS)</b>			
	Profit attributable to equity shareholders		685.11	447.72
	Weighted average number of equity shares outstanding during the year (Refer Note 27)		16,785,000	16,785,000
	Nominal value of equity share		10.00	10.00
	Basic and Diluted Earning per Share (EPS)		4.08	2.67

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 Bridge Nirman Private Limited**  
CIN:U45202GJ2011PTC066793

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

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

Place : Vadodara  
Date : August 31, 2020

Place : Vadodara  
Date : August 31, 2020

(₹ in Lakhs)

Particulars		For the year ended March 31, 2020	For the year ended March 31, 2019
<b>A</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
	Net Profit after Extraordinary items and before Tax	686.82	454.53
	<b>Adjustment for:</b>		
	Depreciation and Amortisation Expense	1.46	1.46
	(Profit) / Loss on Sale of Investments in Mutual Funds	-	12.38
	Interest and other borrowing cost	1,363.10	1,344.40
	Interest income on FDRs	(267.80)	(219.91)
	<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	<b>1,783.58</b>	<b>1,592.86</b>
	<b>Adjustment For Working Capital Changes:</b>		
	Changes in Financial Assets and Other Assets	935.38	807.43
	Changes in Financial Liabilities and Other Payables	277.89	(384.73)
	<b>CASH GENERATED FROM OPERATIONS</b>	<b>2,996.85</b>	<b>2,015.56</b>
	Direct Taxes paid (Net)	(124.73)	(165.00)
	<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>2,872.12</b>	<b>1,850.56</b>
<b>B</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES:</b>		
	Purchase of Property Plant and Equipment (including advances for capital expenditure)	-	(0.74)
	Purchase of Investments in Mutual Funds	-	(2,250.00)
	Sale of Investments in Mutual Funds	-	2,237.62
	Dividend paid during the year	(607.06)	-
	Interest income on FDRs	267.80	219.91
	Changes in FDRs other than Cash and Cash Equivalents	(95.16)	(493.61)
	<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>(434.42)</b>	<b>(286.82)</b>
<b>C</b>	<b>CASH FLOW FROM FINANCING ACTIVITIES:</b>		
	Proceeds from / (repayments of) long term borrowings	(1,073.48)	(644.97)
	Interest and other borrowing cost	(1,363.10)	(1,344.40)
	<b>NET CASH GENERATED FROM/ (USED IN) FINANCING ACTIVITIES</b>	<b>(2,436.58)</b>	<b>(1,989.37)</b>
	<b>NET INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>1.12</b>	<b>(425.63)</b>
	<b>OPENING BALANCE- CASH AND CASH EQUIVALENT</b>	<b>136.27</b>	<b>561.90</b>
	<b>CLOSING BALANCE- CASH AND CASH EQUIVALENT</b>	<b>137.39</b>	<b>136.27</b>

**Notes to the Cash Flow Statement**

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

2. Cash and cash equivalent comprises of:

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Balances with banks:		
- Current Accounts	137.34	136.04
Cash on hand	0.05	0.22
<b>Cash and cash equivalents in Restated Standalone Statement of cash flow</b>	<b>137.39</b>	<b>136.27</b>

As per our report of even date

**For Surana Maloo & Co.**

Chartered Accountants

Firm Registration Number: 112171W

**For and Behalf of the Board of Directors**

**Patel Bridge Nirman Private Limited**

CIN:U45202GJ2011PTC066793

**Per, S. D. Patel**

Partner

Membership No.: 037671

**Pravinbhai V. Patel**

Director

DIN: 00008911

**Arvind V. Patel**

Director

DIN: 00009089

Place : Vadodara

Date : August 31, 2020

Place : Vadodara

Date : August 31, 2020



Patel Bridge Nirman Private Limited

CIN:U45202GJ2011PTC066793

Statement of Changes in Equity

**A. Equity Share Capital**

Particulars	No. of Shares	Amount ( ₹ in lakhs)
Balance as at April 1, 2018	16,785,000	1,678.50
<b>Changes in equity share capital during the year 2018-19</b>		
Add: Shares issued during the year		
<b>Balance as at March 31, 2019</b>	<b>16,785,000</b>	<b>1,678.50</b>
Balance as at April 1, 2019	16,785,000	1,678.50
<b>Changes in equity share capital during the year 2019-20</b>		
Add: Shares issued during the year		
<b>Balance as at March 31, 2020</b>	<b>16,785,000</b>	<b>1,678.50</b>

**B. Other equity**

( ₹ in lakhs)

Particulars	Retained Earnings
<b>Balance as at April 1, 2018</b>	2,528.69
Profit attributable to owners of the Company	447.72
<b>Balance at the end of the year March 31, 2019</b>	<b>2,976.42</b>
<b>Balance as at April 1, 2019</b>	2,976.42
Less: Dividend distribution during the year	503.55
Less: Tax on Dividend on Equity share	103.51
Profit attributable to owners of the Company	685.11
<b>Balance at the end of the year March 31, 2020</b>	<b>3,054.47</b>

As per our report of even date

**For Surana Maloo & Co.**

Chartered Accountants

Firm Registration Number: 112171W

**For and Behalf of the Board of Directors**

**Patel Bridge Nirman Private Limited**

CIN:U45202GJ2011PTC066793

**Per, S. D. Patel**

Partner

Membership No.: 037671

**Pravinbhai V. Patel**

Director

DIN: 00008911

**Arvind V. Patel**

Director

DIN: 00009089

Place : Vadodara

Date : August 31, 2020

Place : Vadodara

Date : August 31, 2020

## Notes to Standalone Financial Statements

### 1. CORPORATE INFORMATION

Patel Bridge Nirman Private Limited ('the Company'), incorporated in 2011 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, bridges, and other ancillary services.

The company is formed as a special purpose vehicle (SPV) to develop, establish, construct, operate and maintain the project relating to Development of Rail Over bridge at level crossing having TVU>1,00,000 in State of Gujarat through a Concession on BOT Annuity.

Service Concession Arrangement entered into confers the right to implement the project and recover the project cost, through the half yearly annuity payment over concession period commencing after 6 calendar months from the Completion Date.

#### BASIS OF PREPARATION

##### a. Basis of Preparation:

Standalone Financial Statements of the Company have been prepared in accordance with 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.

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

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

##### a. Current / Non-Current Classification:

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

- i. the asset/liability is expected to be realized/settled in the Company's normal operating cycle;
- ii. the asset is intended for sale or consumption;

## Notes to Standalone Financial Statements

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

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

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

### b. Key Sources of estimation uncertainties

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

- **Property, Plant and Equipment and Intangible Assets**

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

- **Fair value measurement of financial instruments**

In estimating the fair value of financial assets and financial liabilities, the Company uses market observable data to the extent available. Where such Level 1 inputs are not available, the Company establishes appropriate valuation techniques and inputs to the model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

- **Service Concession Arrangement**

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

- **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.

## Notes to Standalone Financial Statements

### 3. SIGNIFICANT ACCOUNTING POLICIES

#### a. Property, Plant and Equipment

- **Recognition and Measurement**

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

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

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

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

- **Depreciation**

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

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

Asset Class	Useful life
Motor Car	8 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. Impairment of Tangible Assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible 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

## Notes to Standalone Financial Statements

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.

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.

### c. Borrowing Costs

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

### d. Revenue Recognition

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

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

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

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

## Notes to Standalone Financial Statements

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

Effective April 1, 2018, the company has applied Ind AS 115 which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognized. Ind AS 115 replaces Ind AS 18. The company has adopted Ind AS 115 using the cumulative catch up transition method. The effect of initially applying this standard is recognised at the date of initial application (i.e. April 1, 2018). The standard is applied retrospectively only to contracts that are not completed as at the date of initial application and the comparative information in the statement of profit and loss is not restated – i.e. the comparative information continues to be reported under Ind AS 18. Significant accounting policies – Revenue recognition in the Annual report of the Company for the year ended March 31, 2018, for the revenue recognition policy as per Ind AS 18. The adoption of Ind AS 115 does not have significant effect on the financial results.

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

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

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

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

### **Interest Income**

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

## **e. Employee Benefits**

### **• 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.

## **f. Income Tax**

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

### **• Current Tax**

Current tax comprises of the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after

## Notes to Standalone Financial Statements

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.

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

- **Deferred Tax**

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

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

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

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

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

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

### **g. 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 ROB on annuity basis and accordingly the entire business as a whole is monitored by the Chief operating decision maker. Accordingly, the company has no other reportable segments.

## Notes to Standalone Financial Statements

### h. 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.

### i. Financial instruments

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

- **Financial assets**

#### (i) Initial recognition and measurement of financial assets

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

#### (ii) Subsequent measurement of financial assets

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

- **Financial assets at amortized cost:**

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

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

A financial asset is measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.



## Notes to Standalone Financial Statements

Financial assets included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI).

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

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

**(iii) De-recognition of financial assets**

A financial asset is de-recognized when the contractual rights to the cash flows from the financial asset expire or the Company has transferred its contractual rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred 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.

## Notes to Standalone Financial Statements

### (ii) Subsequent measurement of financial liabilities

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

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

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

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

- **Loans and Borrowings**

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

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

### (iii) Derecognition of financial liabilities

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

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

#### **Offsetting of financial instruments**

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

### j. 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

## Notes to Standalone Financial Statements

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

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

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

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

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

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

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

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

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

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

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

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

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

## Notes to Standalone Financial Statements

### k. 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.

### l. 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.

### m. 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.

#### **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.

## **Notes to Standalone Financial Statements**

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:

- 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
- the entity is to assume that the taxation authority will have full knowledge of all relevant information while examining any amount
- 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
	Computers	Motor Cars	
Balance as at April 1, 2018	0.02	10.99	11.01
Additions	-	0.74	0.74
Disposals	-	-	-
<b>Balance as at March 31, 2019</b>	<b>0.02</b>	<b>11.73</b>	<b>11.75</b>
Balance as at April 1, 2019	0.02	11.73	11.75
Additions	-	-	-
Disposals	-	-	-
<b>Balance as at March 31, 2020</b>	<b>0.02</b>	<b>11.73</b>	<b>11.75</b>

Accumulated depreciation	Property, Plant & Equipment		Total
	Computers	Motor Cars	
Balance as at April 1, 2018	-	1.15	1.15
Depreciation / amortisation for the year	-	1.46	1.46
Disposals	-	-	-
<b>Balance as at March 31, 2019</b>	<b>-</b>	<b>2.61</b>	<b>2.61</b>
Balance as at April 1, 2019	-	2.61	2.61
Depreciation / amortisation for the year	-	1.46	1.46
Disposals	-	-	-
<b>Balance as at March 31, 2020</b>	<b>-</b>	<b>4.07</b>	<b>4.07</b>

Carrying Amount (Net)	Property, Plant & Equipment		Total
	Computers	Motor Cars	
As at March 31, 2019	0.02	9.12	9.14
As at March 31, 2020	0.02	7.66	7.68

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Depreciation on Property, Plant and Equipment	1.46	1.46

(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 : Other Non current financial assets** (₹ in lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Margin Money Deposit	46.25	46.25
Fixed Deposits - Maturing after 12 months from reporting date*	3,719.01	3,623.85
Receivable under service concession arrangement	11,756.67	12,784.68
<b>Total</b>	<b>15,521.93</b>	<b>16,454.78</b>

\*Above Fixed Deposits made with bank is given to customers as Security and Earnest Money Deposit and Lien Marked with bank for borrowings.

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

**Note 7 : Deferred Tax (Assets)/ Liabilities (Net)** (₹ in lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
<b>Deferred Tax Assets</b>		
MAT Credit Entitlement	479.00	322.53
<b>Total</b>	<b>479.00</b>	<b>322.53</b>

**Note 8 : Other Non current assets** (₹ in lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Security Deposits and Retention Money	2.04	2.04
<b>Total</b>	<b>2.04</b>	<b>2.04</b>

**Note 9 : Cash and cash equivalents** (₹ in lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
<b>Cash and Cash Equivalents</b>		
a) Balance with banks		
- In Current Accounts*	137.34	136.04
b) Cash on hand	0.05	0.22
<b>Total</b>	<b>137.39</b>	<b>136.27</b>

\* Including balance in Escrow account of Rs. 119.26 Lakhs (P.Y. 120.46 Lakhs).

**Note 10 : Other current financial assets** (₹ in lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Receivable under service concession arrangement	1,388.38	1,295.79
Advances to employees	0.03	-
<b>Total</b>	<b>1,388.41</b>	<b>1,295.79</b>

Note 11 : Other current assets

( ₹ in lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Prepaid Expenses	0.04	0.02
Balance with Government Authorities	88.78	88.78
<b>Total</b>	<b>88.82</b>	<b>88.80</b>

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

Note 12: Share capital

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

( ₹ in lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
<b>Authorised:</b>		
2,30,00,000 Equity Shares of Rs.10/- each	2,300.00	2,300.00
	<b>2,300.00</b>	<b>2,300.00</b>
<b>Issued, Subscribed &amp; fully Paid up :</b>		
1,67,85,000 Equity Shares of Rs.10/- each	1,678.50	1,678.50
<b>Total</b>	<b>1,678.50</b>	<b>1,678.50</b>

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

Particulars	As at March 31, 2020	As at March 31, 2019
Equity Shares at the beginning of the year	16,785,000	16,785,000
Add: Issued during the year	-	-
Equity Shares at the end of the year	<b>16,785,000</b>	<b>16,785,000</b>

c) Rights of Shareholders and Repayment of Capital

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

d) Shares held by holding company and its subsidiaries

( ₹ in lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
<b>Equity Shares</b>		
<b>Holding Company</b>		
49,09,900 equity shares are held by Patel Infrastructure Limited	490.99	490.99
<b>Subsidiary of Holding Company</b>		
75,11,000 equity shares are held by Patel Highway Management Private Limited	751.10	751.10

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

Particulars	As at March 31, 2020	As at March 31, 2019
<b>Equity Shares</b>		
Patel Infrastructure Private Limited	4,909,900 29.25%	4,909,900 29.25%
Patel Highway Management Private Limited	7,511,000 44.75%	7,511,000 44.75%
Ajay Engi- Infrastructure Private Limited	4,364,100 26.00%	4,364,100 26.00%

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 13 : Other Equity**

( ₹ in lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
<b>Retained earnings</b>		
Balance at the beginning of the year	2,976.42	2,528.69
Interim Dividend distribution during the year (Incl of DDT)	(607.06)	-
Profit attributable to owners of the Company	685.11	447.72
<b>Balance at the end of the year</b>	<b>3,054.47</b>	<b>2,976.42</b>

Note 13.1 The company has paid interim dividend during the year of Rs. 3.00 (at the rate of 30%) on each fully paid up equity share of Rs. 10.00 each

**Note 14 : Long Term Borrowings**

( ₹ in lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
a) Secured-Term loan from banks	11,398.55	12,511.78
<b>Total</b>	<b>11,398.55</b>	<b>12,511.78</b>

Year	% repayment of disbursed loan	Amount in lakhs
2019-20	6.75	1,073.25
2020-21	7.00	1,113.00
2021-22	7.00	1,113.00
2022-23	8.75	1,391.25
2023-24	7.75	1,232.25
2024-25	10.25	1,629.75
2025-26	11.25	1,788.75
2026-27	12.50	1,987.50
2027-28	13.50	2,146.50

**Note 14.1 Disclosure of details of Borrowings:**

Lender : Punjab National Bank Ltd

Nature of Facility : Term Loan

Amount Outstanding as on March 31, 2020 : Rs.12,511.55 Lakhs

Rate of Interest : 10.6%

Terms of Payment: 12 Years (Door to door). To be repaid in 10.5 years by way of semi-annual installments which started from June, 2016

Primary Security : Assignment of Annuity payments to be made by R&BD. GoG and shall be backed by DSRA requirement i.e. DSRA of ensuring 6 months interest and 1 Principal Repayment installment in the form of bank guarantee during the entire tenure of the facility.

Collateral Security : Loan is secured by exclusive charge on movable, immovable asset & book debts and personal guarantee of Pravin Vithalbhay Patel and Arvind Vithalbhay Patel.

Note 14.2 Refer note 16 for current maturities of long term borrowings.

**Note 15 : Trade payables**

( ₹ in lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
(a) To Micro, Small and Medium Enterprises (Refer Note 15.2)	-	-
(b) Others	318.54	47.11
<b>Total</b>	<b>318.54</b>	<b>47.11</b>

Note 15.1 : Trade Payable are payable on account of goods purchased and services availed in the normal course of business.

Note 15.2 : 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 15.3 : Refer Note 25 for Related party transactions and outstanding balances.

**Note 16 : Other current financial liabilities** (₹ in lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Current maturities of long term borrowings		
- From Banks	1,113.00	1,073.25
Employee related dues	4.43	3.66
<b>Total</b>	<b>1,117.43</b>	<b>1,076.91</b>

Note 16.1 Refer Note 25 for Related party transactions and outstanding balances.

**Note 17 : Current tax Assets / (Liabilities) (Net)** (₹ in lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Current tax assets	111.89	133.92
Current tax liabilities	162.76	151.33
<b>Total</b>	<b>50.87</b>	<b>17.41</b>

**Note 18 : Other current liabilities**

Particulars	As at March 31, 2020	As at March 31, 2019
Statutory liabilities	6.91	1.22
<b>Total</b>	<b>6.91</b>	<b>1.22</b>

**Note 19 : Revenue from Operations** (₹ in lakhs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Operations and maintenance income	601.98	957.22
<b>Total</b>	<b>601.98</b>	<b>957.22</b>

**Note 20 : Other Income** (₹ in lakhs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Interest on Deposits with Banks	267.80	219.91
Other Interest	3.23	-
Interest income on service concession arrangements	1,818.61	1,581.27
<b>Total</b>	<b>2,089.64</b>	<b>1,801.18</b>

**Note 21 : Operation & Maintenance Expenses** (₹ in lakhs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Power and Fuel	8.12	7.18
Operation and maintenance expenses	547.26	870.21
<b>Total</b>	<b>555.38</b>	<b>877.39</b>

**Note 22 : Employee Benefits Expenses** (₹ in lakhs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Salaries, Wages and Bonus	42.40	32.23
<b>Total</b>	<b>42.40</b>	<b>32.23</b>

Note 22.1 Refer Note 25 for Related party transactions.

**Note 23 : Finance Costs** (₹ in lakhs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Interest on long term borrowings	1,352.35	1,333.01
Other Borrowing Costs	10.75	11.39
<b>Total</b>	<b>1,363.10</b>	<b>1,344.40</b>

**Note 24 : Other Expenses**

( ₹ in lakhs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Payment to Auditors (Refer Note 29)	2.00	2.00
Rates and Taxes	0.11	0.01
Loss on sale of Mutual Fund	-	12.38
Insurance	4.87	3.03
Interest on statutory dues	0.01	-
Repair & Maintenance expense	-	0.03
Travelling and Conveyance	0.33	0.78
Technical & Professional Fees	35.14	30.12
Stationery & Printing Expenses	-	0.03
Miscellaneous Expenses	-	0.01
<b>Total</b>	<b>42.46</b>	<b>48.39</b>

Patel Bridge Nirman Private Limited  
CIN:U45202GJ2011PTC066793  
Note 25 : Related Party Transactions and Outstanding Balances

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

Particulars	For the year ended	
	March 31, 2020	March 31, 2019
<b>Controlling Entity</b>	Patel Infrastructure Limited	Patel Infrastructure Limited
<b>Fellow Subsidiary Company</b>	Patel Highway Management Private Limited	Patel Highway Management 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 Vadodara Kim Expressway Private Limited	Patel Vadodara Kim Expressway Private Limited
	Patel Hospitality Private Limited	Patel Hospitality Private Limited

<b>Key Management Personnel (KMP)</b>	Pravinbhai Patel ( Director)	Pravinbhai Patel ( Director)
	Arvind V. Patel ( Director)	Arvind V. Patel ( Director)
	Madhubhai Vaviya (Director)	Madhubhai Vaviya (Director)
	Rameshbhai Patel (Director)	Rameshbhai Patel (Director)
	Vinay Rajput (Company Secretary) till 31st May, 2020	Vinay Rajput (Company Secretary)

<b>Relatives of KMP</b>	Kaminiben Arvindbhai Patel - Wife of Arvind V. Patel	Kaminiben Arvindbhai Patel - Wife of Arvind V. Patel
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Particulars	For the year ended	
	March 31, 2020	March 31, 2019
<b>Enterprises over which KMP and/or Relatives of KMP are able to exercise significant Influence</b>	V G Patel Foundation	V G Patel Foundation
	Patel Structural Private Limited	Patel Structural Private Limited
	The Trilium	The Trilium
	Swan Medicot LLP (January 16, 2019)	Swan Medicot LLP (January 16, 2019)
	Patel Taxcot Pvt Ltd (September 21, 2018)	Patel Taxcot Pvt Ltd (September 21, 2018)

**Related Party Transactions : Holding Company** ( ₹ in lakhs)

Particulars	As at	
	March 31, 2020	March 31, 2019
<b>Operations and maintenance Expenses</b>		
Patel Infrastructure Limited	461.03	749.23
<b>Dividend paid during the year</b>		
Patel Infrastructure Limited	147.30	-
Patel Highway Management Private Limited	225.33	-
<b>Deposits (Assets)</b>		
Patel Infrastructure Limited	46.25	46.25
<b>Creditors For Expenses</b>		
Patel Infrastructure Limited	320.93	43.59
<b>Loan taken during the Year</b>		
Patel Infrastructure Limited	-	6.02
<b>Loan repaid during the Year</b>		
Patel Infrastructure Limited	-	6.02

**Related Party Transactions : KMP and Relatives of KMP** ( ₹ in lakhs)

Particulars	For the year ended	
	March 31, 2020	March 31, 2019
<b>Salary Expenses during the year</b>		
Vinay Surendrasingh Rajput	0.55	3.30
Kaminiben Arvindbhai Patel	12.00	12.00

**Amount payable : KMP and Relatives of KMP** ( ₹ in lakhs)

Particulars	As at	
	March 31, 2020	March 31, 2019
<b>Salary Payable</b>		
Vinay Surendrasingh Rajput	-	0.27
Kaminiben Arvindbhai Patel	0.59	0.89

Particulars	As at	
	March 31, 2020	March 31, 2019
<b>Bank Guarantees Released during the year</b>		
Patel Infrastructure Limited	287.86	-
<b>O/s Bank Guarantees at the end of year</b>		
Patel Infrastructure Limited	-	287.86

## A Categories of Financial Instruments

( ₹ in lakhs)

Particulars	Amount as at March 31, 2020			
	Fair Value through Profit &	Fair Value through OCI	Amortised Cost	Total
<b>Financial assets</b>				
(i) Other Non-current financial assets	-	-	15,521.93	15,521.93
(ii) Other current financial assets	-	-	1,388.41	1,388.41
(iii) Cash and cash equivalents	-	-	137.39	137.39
<b>Total</b>	-	-	<b>17,047.73</b>	<b>17,047.73</b>
<b>Financial liabilities</b>				
(i) Trade payables	-	-	318.54	318.54
(ii) Borrowings	-	-	12,511.55	12,511.55
(iii) Other financial liabilities	-	-	4.43	4.43
<b>Total</b>	-	-	<b>12,834.52</b>	<b>12,834.52</b>

Particulars	Amount as at March 31, 2019			
	Fair Value through Profit &	Fair Value through OCI	Amortised Cost	Total
<b>Financial assets</b>				
(i) Other Non-current financial assets	-	-	16,454.78	16,454.78
(ii) Other current financial assets	-	-	1,295.79	1,295.79
(iii) Cash and cash equivalents	-	-	136.27	136.27
<b>Total</b>	-	-	<b>17,886.84</b>	<b>17,886.84</b>
<b>Financial liabilities</b>				
(i) Trade payables	-	-	47.11	47.11
(ii) Borrowings	-	-	13,585.03	13,585.03
(iii) Other financial liabilities	-	-	3.66	3.66
<b>Total</b>	-	-	<b>13,635.80</b>	<b>13,635.80</b>

**B Capital Management**

- i) For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The Company strives to safeguard its ability to continue as a going concern so that they can 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.
- ii) Consistent with others in the industry, the Company monitors its capital using Gearing Ratio, Net Debt (Short Term and Long Term Borrowings including Current maturities) divided by Total Equity (Capital plus Net Debt).

( ` in lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Long Term Borrowings	12,511.55	13,585.03
Short Term Borrowings	-	-
Less: Cash & Cash Equivalents	137.39	136.27
<b>Net Debt</b>	<b>12,374.16</b>	<b>13,448.77</b>
Total equity	4,732.97	4,654.92
<b>Total Capital</b>	<b>4,732.97</b>	<b>4,654.92</b>
<b>Gearing Ratio</b>	<b>261%</b>	<b>289%</b>

- 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 has contractual right to receive annuity from the grantor and hence negligible risk.

**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
<b>As at March 31, 2020</b>				
Borrowings	1,113.00	5,366.25	6,032.30	12,511.55
Trade Payables	318.54	-	-	318.54
Other Financial Liabilities	4.43	-	-	4.43
<b>As at March 31, 2019</b>				
Borrowings	1,073.25	4,849.50	7,662.28	13,585.03
Trade Payables	47.11	-	-	47.11
Other Financial Liabilities	3.66	-	-	3.66

Patel Bridge Nirman Private Limited  
 CIN:U45202GJ2011PTC066793  
 Note 27 : Basic and Diluted Earnings Per Share

( ₹ in lakhs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
<b>Earnings per equity share</b>		
Profit attributable to equity shareholders (Rs. In lakhs)	685.11	447.72
Weighted average number of equity shares outstanding during the year	16,785,000	16,785,000
Nominal value of equity per share	10.00	10.00
Basic and Diluted EPS (Rs. Per Share)	4.08	2.67

**Note 28: Contingent Liabilities**

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Other money for which the company is contingently liable (Direct and Indirect Taxes)	17.47	17.47
<b>Total</b>	<b>17.47</b>	<b>17.47</b>

**Note 29 - Payment to Auditors**

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
For Audit	1.25	1.25
For Taxation matters	0.75	0.75
<b>Total</b>	<b>2.00</b>	<b>2.00</b>



Patel Bridge Nirman Private Limited

CIN:U45202GJ2011PTC066793

Note 31 : Movement in Deferred tax Assets/ Liabilities

A. Amount Recognised in Profit and Loss

( ₹ in lakhs)

Particulars	For the year ended March 31,2020	For the year ended March 31,2019
<b>Current income tax:</b>		
Current income tax charge	156.48	145.14
(Excess) / Short provision of earlier periods	1.71	6.81
<b>Deferred tax:</b>		
Relating to origination and reversal of temporary differences	(156.48)	(145.14)
<b>Total</b>	<b>1.71</b>	<b>6.81</b>

B. Reconciliation of effective tax rate

Particulars	For the year ended March 31,2020	For the year ended March 31,2019
<b>Accounting profit before tax</b>	<b>686.82</b>	<b>454.53</b>
<b>Applicable Income tax rate</b>	<b>27.82%</b>	<b>27.82%</b>
<b>Computed expected tax expense</b>	<b>191.07</b>	<b>126.45</b>
Deferred Tax expenses accounted in books	(156.48)	(145.14)
Effect of expense not allowed for tax purpose	929.75	933.36
Effect of expense allowed for tax purpose	(979.44)	(1,012.26)
Effect of Deductions Claimed for tax purpose	(147.67)	(53.74)
(Excess) / Short provision of earlier periods	1.71	6.81
Ind AS Adjustments	-	-
Others	-	-
Tax on book profit as per Minimum Alternate Tax	162.76	151.33
<b>Income tax expense</b>	<b>1.71</b>	<b>6.81</b>
<b>Income tax expense reported in the statement of profit and loss</b>	<b>1.71</b>	<b>6.81</b>

## Notes to Financial Statements for the year ended March 31, 2020

### **30 Disclosure pursuant to Appendix - E to Ind AS 115 - "Revenue from Contract with Customer"**

#### **30.1 Description and classification of the arrangement**

The Company has entered into Service Concession Arrangement ('SCA') with Government of Gujarat Road and buildings Department, Gandhinagar ("GOG, R&BD") dated August 23, 2011 for the purpose of development of Rail Over Bridges at Level Crossing having TVU > 1,00,000 through a concession on BOT Annuity basis in the state of Gujarat. The Concession Period is of 17.5 years. As per the SCA, GOG, R&BD grants to the Company exclusive right, license and authority to operate and maintain the project during the Operation Period.

#### **30.2 Significant Terms of the Arrangements**

##### **(a) Annuity**

The Authority shall be liable to pay Annuity to Concessionaire upon achieving COD for the Project Highway and in consideration of the Concessionaire accepting the Concession and undertaking to perform and discharge its obligations in accordance with the terms and conditions as set forth in the agreement.

##### **(b) Payment of Annuity**

The authority shall pay the annuity amount in Bi-annual installment of Rs. 1,678 Lakhs each over the operation period of 15 years.

#### **30.3 Modification of Concession Period:**

The Concession period shall be modified:

GOG, R&BD shall issue to the company a notice of change of scope under the clause 16.2(1) in relation to additional works and services referred to in clause 16.1 of the SCA. GOG, R&BD shall pay to the company an amount equal to the costs or extend the concession period suitably on the basis of recommendation by the Independent Consultant to be reasonable with final adjustments to be made in accordance with the resolution of dispute under the Dispute Resolution Procedure.

If, due to change in the law, company suffers an increase in cost or reduction in net after-tax return or the other financial burden subject to the limits specified in the SCA, the SCA shall be modified in such a way that it nullifies such impact of cost increase, reduction in return or other financial burden. However if no such modification is done, Company may require by notice to the authority to pay an amount that would place the company in the same financial position that it would have enjoyed, had there been no such change in the law. Any dispute in the said procedure shall be settled in accordance with the Dispute Resolution Procedure. Opposite will be the case, in case of reduction in cost.

**30.4 Rights of the Company to use Project Highway**

- a Right of Way, access and licence to the Site.

**30.5 Obligation of the Concessionaire**

The company shall not assign, transfer or sublet or create any lien or Encumbrance on the SCA, or the Concession granted or on the whole or any part of the Project Highway nor transfer, lease or part possession thereof, save and except as expressly permitted by SCA or the Substitution Agreement.

The company is under obligation to carry out the routine and periodic maintenance of Project Highway as per Clause 17 of the SCA.

**30.6 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.

**30.7. Details of Termination**

SCA can be terminated on account of default of the company or GOG, R&BD in the circumstances as specified under Clause 37 of the SCA.

**30.8 Changes in SCA:-**

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

**1 Disaggregation of Revenue****(a) Based on type of Services****(₹ in Lakhs)**

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Operations and maintenance income	601.98	957.22
<b>Adjustments for:</b>		
Price variations	-	-
<b>Revenue from Contracts</b>	<b>601.98</b>	<b>957.22</b>

**2 Movement of Contract Balances****(i)**

Opening Balance	14,080.47	14,897.98
Recognised during the year	2,420.58	2,538.49
Receipt during the year	3,356.00	3,356.00
Closing Balance	<b>13,145.05</b>	<b>14,080.47</b>

Patel Bridge Nirman Private Limited

CIN:U45202GJ2011PTC066793

Note 31 : Movement in Deferred tax Assets/ Liabilities

C. Recognized deferred tax assets and liabilities

( ₹ in lakhs)

Particulars	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	Balance as at April 1, 2019	Recognized in profit or loss during 2019-20	Recognized in OCI during 2019-20	Balance as at March 31, 2020
<b>Deferred Tax Assets</b>								
MAT Credit Entitlement	177.39	145.14	-	322.53	322.53	156.48	-	479.00
<b>Total</b>	<b>177.39</b>	<b>145.14</b>	<b>-</b>	<b>322.53</b>	<b>322.53</b>	<b>156.48</b>	<b>-</b>	<b>479.00</b>

**Note 32 :**

The company has proposed in its board meeting the payment of Final Dividend at Rs.12/- Per Share (i.e 120 %) for the financial year 2019-20, on 1,67,85,000 Equity Shares of Rs.10 each of the company (i.e on paid-up capital) absorbing Rs. 20,14,20,000/- (Rupees Twenty Crore Fourteen Lakh Twenty thousand Only) to be paid out of Surplus/ retain earning of the Company as on March 31, 2020 subject to the approval of the shareholders.

**Note 33 :**

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

**Note 34 :**

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 Bridge Nirman Private Limited**

CIN:U45202GJ2011PTC066793

**Per, S. D. Patel**

Partner

Membership No.: 037671

Place : Vadodara

Date : August 31, 2020

**Pravinbhai V. Patel**

Director

DIN: 00008911

Place : Vadodara

Date : August 31, 2020

**Arvind V. Patel**

Director

DIN: 00009089