

# AJR INFRA AND TOLLING LIMITED

(Formerly Gammon Infrastructure Projects Limited)

December 6, 2022

To,  
The Listing Department  
**National Stock Exchange of India Limited**  
Exchange Plaza, C-1, Block – G,  
Bandra - Kurla Complex, Bandra (E),  
Mumbai – 400 051  
Scrip ID – AJRINFRA

To,  
Listing Department  
**BSE Limited**  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai – 400 001  
Scrip Code – 532959

Dear Sir / Madam,

**Sub: Annual Report of the Company for FY 2021-22 along with Notice of 21<sup>st</sup> Annual General Meeting**

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Pursuant to Regulation 34 of the SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015, please find enclosed the Annual Report of the Company for the Financial Year 2021-22 together with the Notice of 21<sup>st</sup> Annual General Meeting (“AGM”) to be held on Thursday, December 29, 2022 at 3.30 p.m. IST through Video Conferencing or Other Audio Visual Means.

Pursuant to General Circular no. 14/2020 dated April 8, 2020, General Circular no. 20/2020 dated May 5, 2020, General Circular no. 02/2021 dated January 13, 2021 & General Circular no. 03/2022 dated May 5, 2022 issued by the Ministry of Corporate Affairs and Circular no. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 issued by Securities and Exchange Board of India, Annual Report for Financial Year 2021-22 along with the Notice of 21<sup>st</sup> AGM is being sent electronically to all the members of the Company whose email addresses are registered with the Company / Depository Participant(s).

The Annual Report for Financial Year 2021-22 along with Notice of AGM are also being uploaded on the website of the Company at [www.ajrinfra.in](http://www.ajrinfra.in).

Kindly take the same on record.

Yours truly,

For, **AJR INFRA AND TOLLING LIMITED**  
(formerly Gammon Infrastructure Projects Limited)

  
Kaushal Shah  
Company Secretary & Compliance Officer

Encl: As above



Annual Report 2021 –

**Improving our Present.  
Crafting a Future.**

22

**AJR INFRA AND TOLLING LIMITED**  
(Formerly Gammon Infrastructure Projects Limited)







# Improving our Present. Crafting a Future.

The COVID-19 pandemic impacted every industry and severely damaged several economies. The infrastructure marketplace in India also faced multiple challenges as well. Given that infrastructure is one of the key areas driving the expansion of India's GDP, we at AJR Infra and Tolling Limited (AJR) worked very hard to keep our assets fully operational for the nation's benefit.

FY2022 was also a year in which we made tangible progress in our overall turnaround story. For one of our power project subsidiaries under the Insolvency and Bankruptcy Code (IBC), we paid up and completed all debt settlements with its lenders. This subsidiary is now out of all insolvency proceedings and has now joined our portfolio of positively contributing companies. Furthermore, one of our step-down subsidiaries acquired a real estate development company with a lucrative project in Bhopal within its pipeline. This gives AJR an additional diversified area for harnessing future value creation. Furthermore, we arranged additional funding infusion for AJR through FY2022, which improved our overall liquidity and ability to function smoothly. We also focused on maintaining good corporate governance and disciplined capital allocation to drive our turnaround.

**At AJR, we are well prepared to improve our present, and to craft a more compelling future. On the path of continual rejuvenation, we are on a veritable journey of becoming a recognised value creator to reckon with in the future.**



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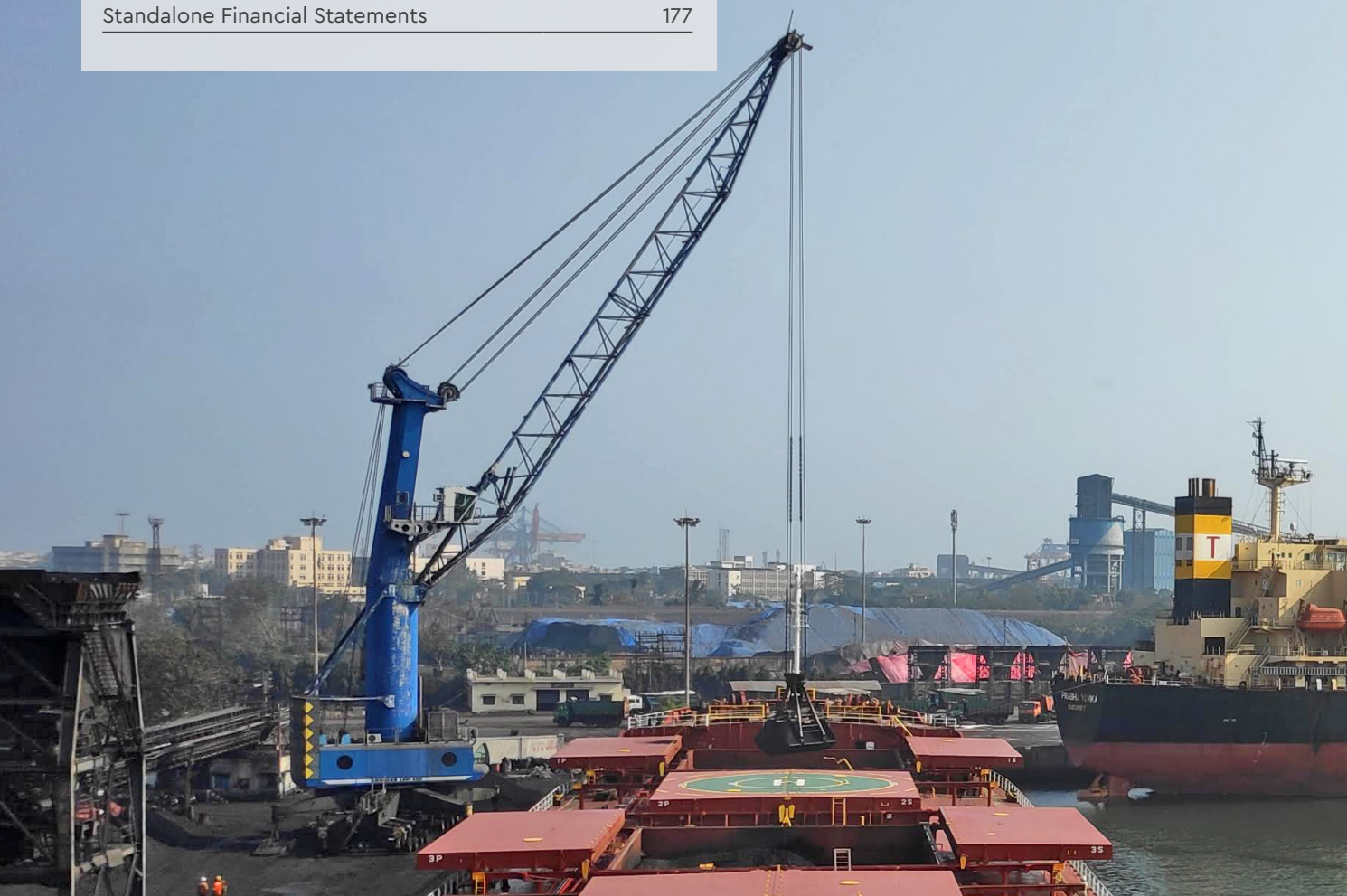
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# CORPORATE INFORMATION

## Board of Directors

### Mr. Mineel Mali

Whole-Time Director

### Ms. Homai Daruwalla

Independent Director

### Mr. Chayan Bhattacharjee

Non-Executive Director  
upto 26th July, 2022

### Mr. Mahendra Kumar Agrawala

Independent Director

### Mr. Jaysingh Ashar

Non-Executive Director  
upto 26th November, 2022

### Mr. Vinod Sahai

Independent Director

### Mr. Sunilbhai Chhabaria

Independent Director

### Mr. Subhrarabinda Birabar

Non-Executive Director  
appointed on 26th November, 2022

## Key Managerial Personnel

### Mr. Vinay Sharma

Chief Financial Officer

### Mr. Kaushal Shah

Company Secretary & Compliance Officer

## Auditors

### M/s. Nayan Parikh & Co.

Chartered Accountants

## Internal Auditors

### M/s. Bagaria & Co. LLP

Chartered Accountants

## Registered Office

3rd Floor, 3/8, Hamilton House,  
J. N. Heredia Marg, Ballard Estate,  
Mumbai – 400038

Telephone: +91 22 6748 7200

Fax: +91 22 6748 7201

Website: [www.ajrinfra.in](http://www.ajrinfra.in)

## Registrar and Share Transfer Agent

Link Intime India Private Limited,  
C-101, 247 Park, L. B. S. Marg,  
Gandhi Nagar, Vikhroli West,  
Mumbai – 400 083

Tel. No.: 022-4918 6000

Fax No.: 022-4918 6060





## BOARD OF DIRECTORS



**Mr Mineel Mali**  
Whole-Time Director

A Commerce Graduate from Mumbai University, Mr Mineel Mali has over three decades of professional experience in finance and accounts.



**Mr Chayan Bhattacharjee**  
Non-Executive Director

He has done Diploma in Financial Management from Mumbai University. He is a Civil Engineer with rich experience in Civil EPC Business in various sectors such as bridges, roads, cooling towers and chimneys, irrigation and pipelines.



**Ms Homi Daruwalla**  
Independent Director

A Chartered Accountant with over three decades of experience in the banking sector. She is the Chairperson of the Nomination & Remuneration Committee.



**Mr. Mahendra Kumar Agrawala**  
Independent Director

A Chartered Accountant with over three decades of experience in Auditing, Income Tax, Company Law matters, and Project & Management consultancy. He is the Chairman of the Audit Committee and Stakeholders Relationship Committee.



**Mr Jaysingh Ashar**  
**Non-Executive  
 Director**

Mr. Jaysingh Ashar is a degree holder in Civil Engineering from IIT Bombay and he also obtained Diploma in Alternative Dispute Resolution (ADR) from NALSAR University, Hyderabad and degree from ICFAI University, Tripura.

Mr. Ashar is a fellow with Institute of Engineers (India), Indian Institute of Technical Arbitration (IITA) and Indian Council of Arbitration (ICA). He has over 46 years of experience in various Civil Engineering fields which include Design & Execution of High Level Prestressed Concrete Bridges, Execution of Multistoreyed Buildings, Contract Administration and Disputes Resolution through Alternative Disputes Resolution Methods and Arbitration and Litigation related Arbitration including Execution of Arbitral Awards etc.

He is also empanelled with IITA and ICA as Arbitrator.



**Mr Sunilbhai Chhabaria**  
**Independent Director**

He is Law Graduate with an MBA in Marketing. He is a member of the Bar Council of Gujarat as a practising lawyer at Gujarat High Court, specialising in land laws, Commercial litigation, taxation and other related matters having experience of about 15 years. He has earlier served as Civil Judge, First Class at Gujarat.



**Mr Vinod Sahai**  
**Independent Director**

A degree-holder from Politecnico di Torino, Italy and a master's in mechanical engineering from IIT, Kharagpur, India, he has around five decades of international experience in construction, joint ventures, and developing market chains and production units.



**Mr. Subhrrabinda Birabar**  
**Independent Director**

Mr. Birabar is a post-graduate in Logistics Management having professional experience of over 25 years in Port Sector, SEZ/FTWZs, Logistics & Infrastructure. He has also led multi-million US\$ initiatives from conceptualization to completion, successful & profitable operations and restructuring for greater revenue enhancements.



# MESSAGE FROM THE WHOLE-TIME DIRECTOR



**At AJRINFRA, we are ensuring a more robust corporate governance and efficient capital allocation to fuel the Company's recovery. We are investing in both people and technology.**

## Dear Shareholders,

We have seen and survived many hurdles and industry turbulences throughout the years. Your Company exemplifies the tenacity of its employees and their commitment to the promising infrastructure story of India. Despite a year of enormous challenges, we believe the worst is behind us.

The Indian infrastructure market faced multiple challenges. Given the importance of infrastructure to India's much-needed GDP growth recovery, we have worked extremely hard at AJR Infra and Tolling Limited to keep our assets fully operational.

In addition, we made progress toward our overarching

turnaround goal. We paid and settled all the debts for one of our esteemed power project subsidiaries under the Insolvency and Bankruptcy Code (IBC). Under this settlement, this subsidiary has joined our portfolio of positively contributing companies. During FY2022, we also raised some additional funding, which increased our overall liquidity and ability to operate more smoothly. Furthermore, we focused on effective capital allocation and maintaining strong corporate governance.

In addition, one of our subsidiary purchased a real estate development company in Bhopal. This gives AJR Infra & Tolling Limited an entry into a more diverse business

## Our long-term goal is to create a business that can withstand challenging market conditions. We are confident of bouncing back to become an enduring enterprise.

segment to capture the increased future value. At AJRINFRA, we continually strive to improve our balance sheet strength and create a more compelling future. We are on a path to becoming recognised value creators to be reckoned with for the future.

At AJRINFRA, we are ensuring a more robust corporate governance and efficient capital allocation to fuel the Company's recovery. We are investing in both people and technology.

We implemented several initiatives during FY2022 to improve our performance and restructure our organisation to make it more sustainable. We are working hard to re-establish maximum strength among our

management team, which will help us develop effective business plans. We are constantly looking for new business opportunities to support the Company's growth. We recognise that infrastructure is the backbone of the Indian economy and is a top priority for the Government. We are optimistic that the Indian Government will expand the opportunities for the infra space.

Despite the Pandemic hurting India's economy over the last two years, our Company has been moving closer to its specified objectives. Thanks to our sustainable business strategy and extensive knowledge of the infrastructure

sector, we have a genuine opportunity to create value for our stakeholders.

Our long-term goal is to create a business that can withstand challenging market conditions. We are confident of bouncing back to become an enduring enterprise. By preserving the strength of our balance sheet and keeping comfortable liquidity positions, our dynamic capital budgeting process should give us the resources we need to consolidate our market position. We are in an ideal place to accomplish our goals since we have enhanced our financial resilience over the past few years. Our leadership staff is energetic and

committed to providing progress to all our stakeholders.

Once again, I wish to thank the entire staff for their commitment and contribution. The faith of our esteemed shareholders placed in us is deeply appreciated. We will always be committed to you for value creation. Finally, I appreciate the help of our suppliers, bankers, business partners, financial institutions, and the Central and State governments. Altogether, we make a formidable force for the future.

### Mineel Mali

Whole-Time Director



# COMPANY AT A GLANCE

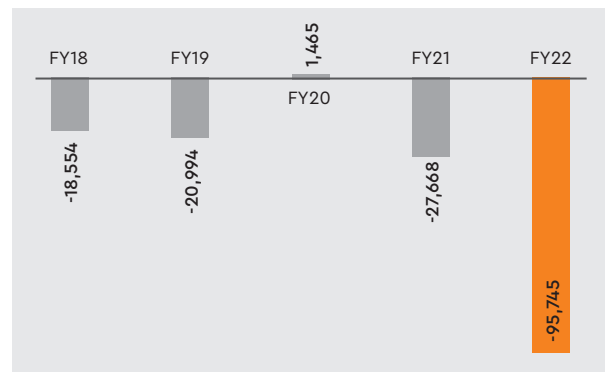
AJRINFRA And Tolling Limited (formerly Gammon Infrastructure Projects Limited) is a pan-India infrastructure project development Company with a diverse portfolio across the road, power and port sectors. The Company derives its strength from its multi-segment presence in the infrastructure sector and its experience and technical expertise over the two decades.

## Consolidated Financial Highlights

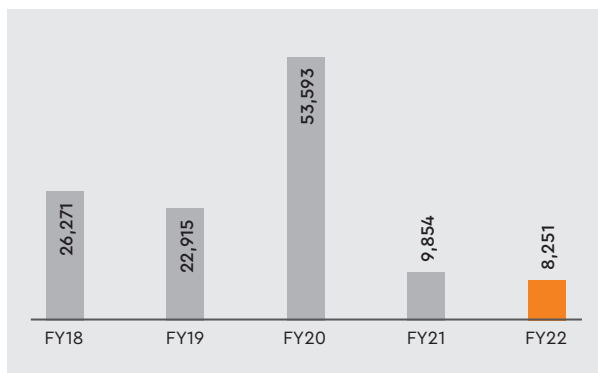
**Total Income** (₹ in Lakhs)



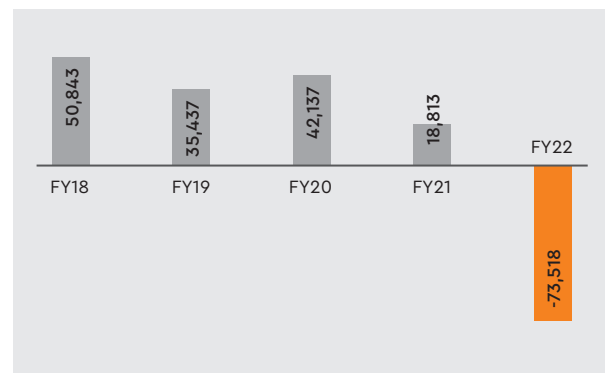
**PAT** (₹ in Lakhs)



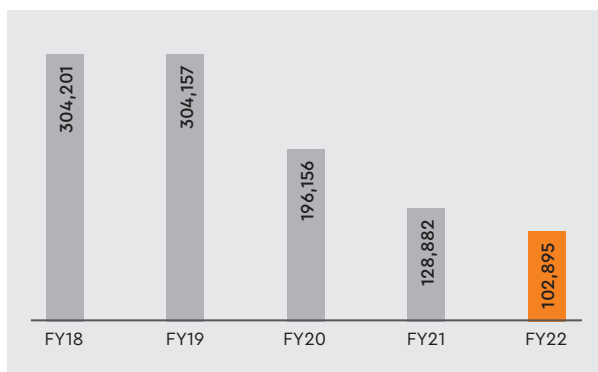
**EBITDA** (₹ in Lakhs)



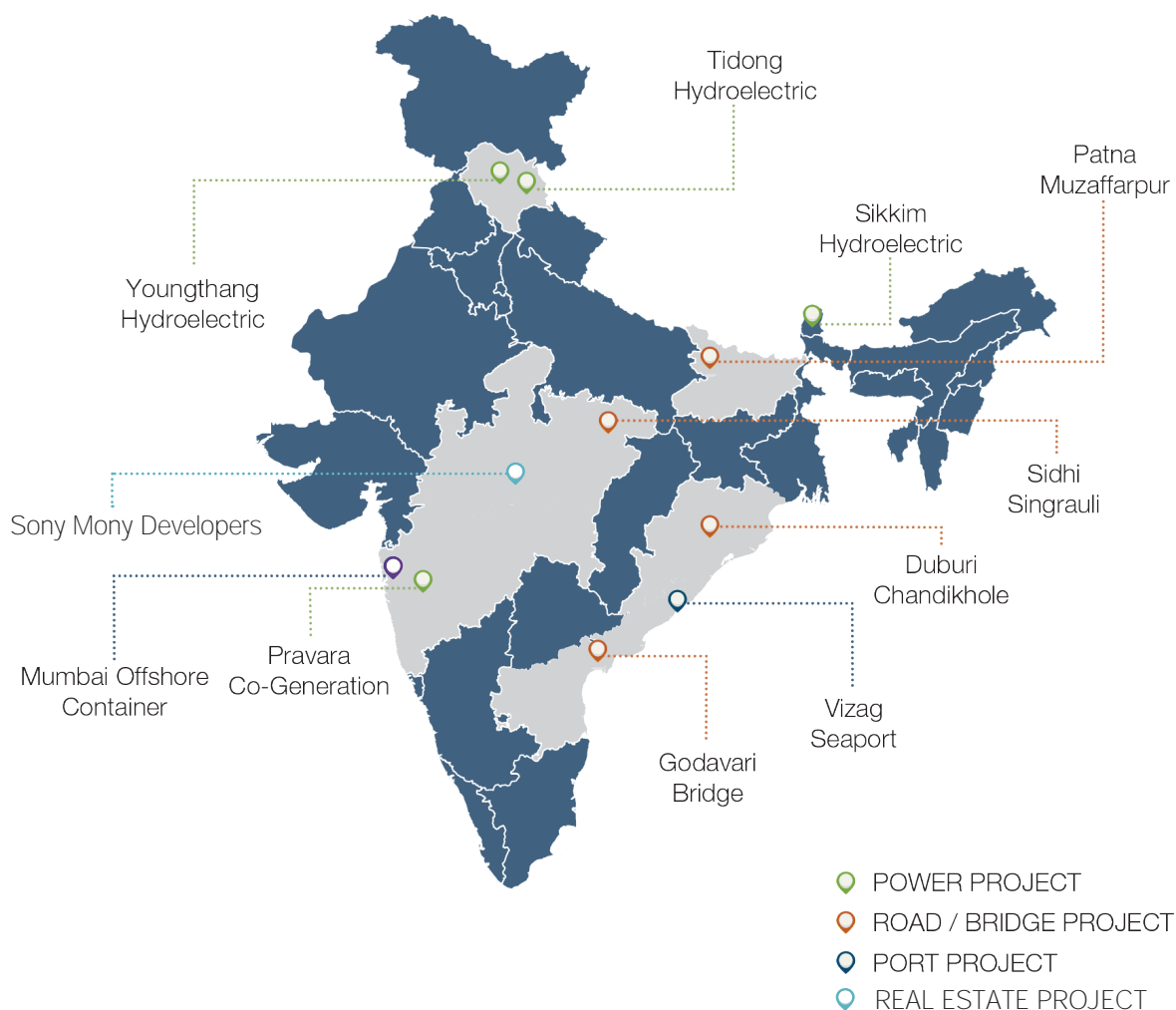
**Net Worth** (₹ in Lakhs)



**Asset Capitalization** (₹ in Lakhs)



The current portfolio of the Company comprises of 4 (four) projects in the Road Sector, 2 (two) in the Port Sector, 4 (four) in the Power Sector and 1 (one) project in real estate sector under different stages of development. The Company's projects are spread across 7 states in India.



**170**

Team Size

**21**

Years of Experience

**7**

States Presence across India

# STRATEGIES FOR A NEW DIRECTION

Our goal is to become an enduring Company that can withstand challenging market conditions.



## Widening Presence

AJRINFRA is significantly benefiting India's burgeoning growth for infrastructure development to allure initiatives. With sustainable and market-related returns. The Company is evaluating potential projects in the existing and emerging sectors to expand its revenue sources.



## Advancing Growth

The principal objective of AJRINFRA is to accomplish projects as rapidly as feasible. The Company strives for smooth progression through the development cycle so that they become operative and boost the Company's revenue. Additionally, the Company is looking for prospects in OMT and hybrid annuity projects with shorter gestation periods and less capital-intensive projects to drive growth.



## Managing Liquidity

A primary objective of AJRINFRA is effective liquidity management. The Company successfully replaced its previous high-cost loans with lower-cost debts. The Company's liquidity will increase significantly in refinancing current obligations and future debt repayment. Through efficient resource use and cost-effective efforts, AJRINFRA has also taken proactive steps to enhance its operating efficiency.



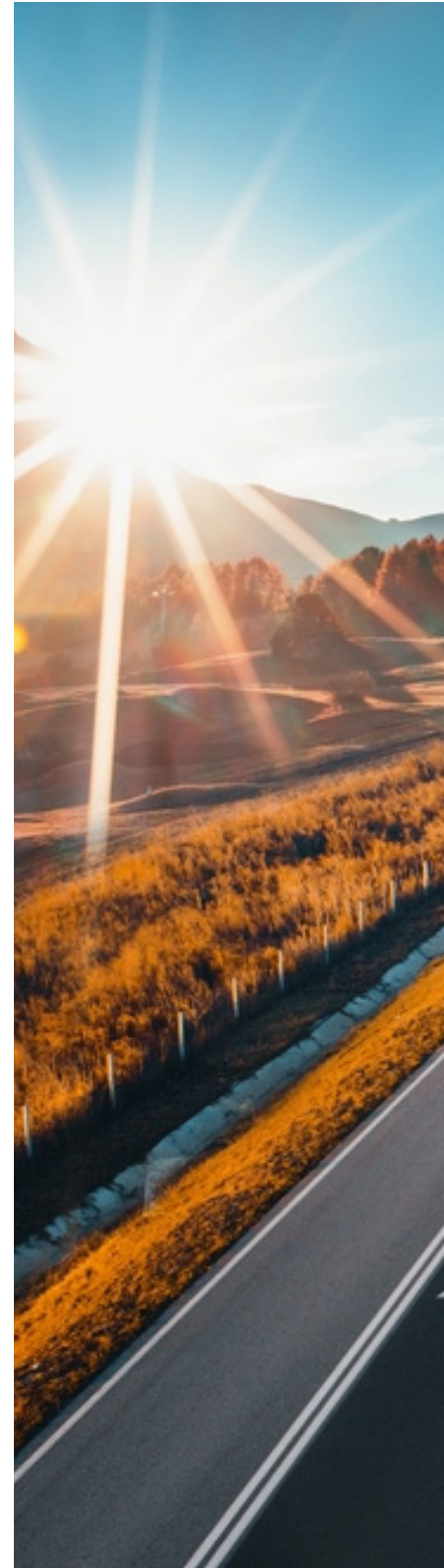
## Exploring Opportunities

The Company expanded its product range by implementing fee-based O&M services for infrastructure projects. In the future, the Company will enforce policies to broaden the scope and volume of O&M services, particularly in the road sector.



## Monetising Assets

As a result of the financial stress caused by economic confrontation, the Company has effectively commercialised six of its Special Purpose Vehicles through restructurings. The sale of critical holdings has benefited AJRINFRA in unleashing value and consolidating its balance sheet.







# Management Discussion & Analysis



## ECONOMIC OVERVIEW

### Global Economy

To stop the COVID-19 infection from spreading, various measures were imposed by nations worldwide in CY2021. Many Governments attempted to keep credit flowing and provide direct financial assistance to individuals and businesses. Many businesses and households were saved by the Government's relaxation and temporary economic and regulatory changes, such as repayment moratoriums and debt guarantees. Even so, due to differences in sectoral composition, the Pandemic's impact on households and business balance sheets has been uneven across and within countries.

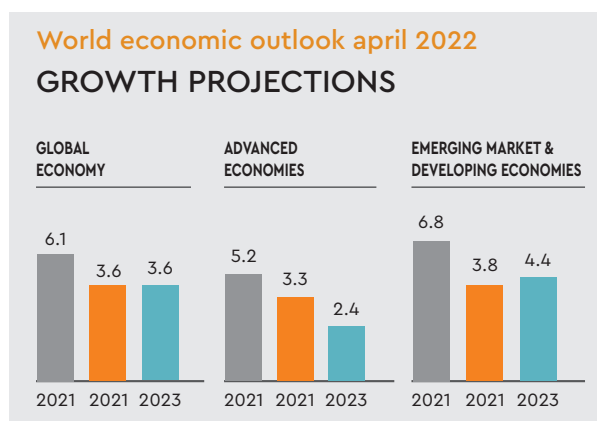
Thanks to the global scientific community's innovation in vaccine manufacture and research, the world's population are gradually receiving the COVID-19 pandemic vaccine. It is anticipated that gradual vaccination will reduce the need for social restrictions and lead to power recoveries. Economies continue to adjust to new working methods despite lower mobility, resulting in a stronger-than-expected resurgence across regions. While rising vaccine coverage improves attitudes, regional differences and uncertainty remain in the global economic future. However, a solution to the health and financial crises is starting to emerge.



The impact of high oil prices on consumer demand and private investment was cited by the International Monetary Fund (IMF) in lowering India's economic growth prediction for FY2023 from 9% to 8.2%. In its World Economic Outlook (WEO) report, the international organisation advised monetary tightening by central banks to control inflationary expectations amid supply interruptions brought on by the conflict in Ukraine. According to the IMF, the war will severely hamper global recovery, delay development, and worsen inflation. India's FY2024 growth prediction was similarly lowered by the Fund, from 7.2% to 6.9%. In comparison, China's GDP growth is predicted to fall to 4.4% in CY2022 from 8.1% in CY2021, leaving India as the world's fastest-growing major economy.

The global economy is stagnating in CY2022, owing to setbacks in global energy, food, and commodity supplies caused by the Russia-Ukraine war and the fallout from China's total lockdowns to contain a new coronavirus outbreak.

After CY2023, the global growth rate is anticipated to fall to around 3.3%. Increasing commodity prices have resulted in CY2022 inflation projections of 5.7% in advanced economies and 8.7% in emerging and developing economies, respectively—1.8% and 2.8% points higher than projected in January. Intergovernmental efforts are required to mitigate global disasters, prevent further economic imbalance, maintain global cash flow, manage debt distress, address climate change, and bring the Pandemic to an end.



Source: IMF (<https://www.imf.org/en/Publications/WEO/Issues/2022/04/19/world-economic-outlook-april-2022>)

### Indian Economy

The emergence of the COVID-19 Pandemic tested the Indian Government's resolve. Overall, the period was difficult for the Indian economy, with an 8% contraction in FY2021. However, there was much relief after the Union Budget for FY2022 was announced. It committed to strengthening the Nation First Vow, which included doubling farmer income, reinforcing infrastructure, making India nutritious, effective governance, improving opportunities for the youth, public education, women empowerment, and inclusive growth, among other things.

As per the Reserve Bank of India's (RBI) revised estimates for July 2021, the real GDP growth of the country was estimated at 21.4% for the first quarter of FY2022. The increase in tax collection and the Government's budget support to states strengthened the overall growth of the Indian economy.

The Nation is focusing on renewable sources to generate energy. It plans to achieve 40% of its energy from non-fossil sources by 2030. In line with this, in May 2021, India and the UK jointly launched a 'Roadmap 2030' to collaborate and combat climate change by 2030.

**According to a Boston Consulting Group (BCG) report, India is expected to be the third-largest consumer economy as its consumption may triple to US\$ 4 trillion by 2025, owing to a shift in consumer behaviour and expenditure pattern. Further, as per a Price Water House Cooper's report, it is estimated to surpass the USA to become the second-largest economy in terms of Purchasing Power Parity (PPP) by 2040.**



## Management Discussion & Analysis

### INDUSTRY REVIEW

#### Roads

According to the India Brand Equity Foundation (IBEF), India has the world's second-largest road network, covering 5.89 million kilometres (km). This road network transports 64.5% of all commodities in the country and 90% of the passenger traffic in India. Road traffic has progressively risen as the country's connection between cities, towns, and villages have improved. Highway construction in the country has increased from FY2017 to FY2022. The CAGR stands at 20%. Sandwiched between two waves of COVID-19 and monsoon rains, the Government, through its implementing agencies, reportedly constructed around 10,457 km of national highways in FY2022, a 24% decrease from the previous fiscal.

**Some of the recent Government initiatives are as follows (source: IBEF):**

- NHA plans to construct around 25,000 kilometres (km) of national highways in FY2023 at a pace of 50 km per day.
- In the Union Budget FY2023, the Government has planned to increase allocation for the central road fund by 19%; the total Fund was around ₹2,95,150 Crore (US\$ 38.86 million).
- As of March 2022, the Government plans to spend around ₹10,565 Crore (US\$ 1.38 billion) on the Trans-Arunachal Highway and Kaladan Multi-Modal Transport Project, as well as other roads development projects such as capital connectivity, district connectivity, connectivity to the international border, and improvement and strengthening of roads in the region of Sikkim.
- The Ministry of Road Transport and Highways constructed 4,450 km of national highways in FY2022 (through October), compared to 4,956 km in FY2021 (through October).

The National Infrastructure Pipeline (NIP) Task Force is projecting a total infrastructure investment of around ₹111 lakh Crore during FY2025. It aims to improve project preparation, attract investments (both domestic and foreign) into infrastructure and will be crucial for becoming a \$5 trillion economy by

FY2025. Under the first phase of around ₹5.35 -trillion Bharatmala Priyोजना, the National Highways Authority of India (NHA) will tender out another bunch of highway projects with a combined length of around 14,389 km by FY2024.

As of February 2022, about 6,895 km of road projects have been awarded, and 6,968 km of National Highways have been constructed. This accounts for 81% of the award target and 63% of the construction target, respectively.

The Government is developing measures to attract major investors through various initiatives. By 2022, around 200,000 km of National Roads will be built. The National Highway Authority of India (NHA) would be able to raise around ₹1 lakh Crore (US\$4.30 billion) each year from tolls and other sources during the next five years.

#### Ports

According to the Ministry of Shipping, shipping accounts for around 95% of India's commerce volume and 70% of its trading value. Our Honorable Prime Minister, Mr Narendra Modi, renamed the Ministry of Shipping the "Ministry of Ports, Shipping, and Waterways" in November 2020. India has 12 large ports, and 205 minor and intermediate ports notified. Six new mega ports will be built in the country as part of the National Perspective Plan for Sagarmala. The ports and shipping sectors are critical to the country's growth in trade and commerce. With a coastline of around 7,517 kilometres, India is the world's sixteenth-largest maritime country. The Government is a vital supporter of the port industry. It has permitted up to 100% FDI through the automatic route for port and harbour building and maintenance projects. It has also made a 10-year tax break available to businesses constructing, managing, and operating ports, inland waterways, and inland ports.

The Nation's key ports had a capacity of around 1,561 million tonnes per annum (MTPA) in FY2021. In FY2022 (until February) 2022, all critical ports in the country handled approximately 650.52 million tonnes (MT) of cargo traffic. India's merchandise exports in FY2022 were at US\$ 417.8 billion, up 40% from the previous year. In October 2021, merchandise exports grew 43.05% YoY to reach US\$ 33.65 billion.

**Some of the major initiatives taken by the Government to promote the ports sector in India are as follows:**

- The Finance Minister proposed to double the ship recycling capacity of 4.5 million Light Displacement Tonnes (LDT) by 2024; this is expected to generate an additional 1.5 Lakh employment opportunities in India.
- In November 2021, the Union Minister for Ports, Shipping and Waterways & Ayush, Mr Sarbananda Sonowal, inaugurated the new Radars and Vessel Traffic Management System of Cochin Port Trust. The VTMS (Vessel Traffic Management System) commissioned in Cochin Port in 2009 has been upgraded with a state-of-the-art system consisting of two new radars, one Automatic Identification System (AIS) Base station, three Very-High Frequency (VHF) Radios and associated software & hardware installed at the cost of roughly ₹5.8 crore (US\$772,161.66).
- In November 2021, the Union Minister of Culture and Tourism, Mr G Kishan Reddy, announced that the Centre had sanctioned around ₹100 crore (US\$ 13.31 million) for the Visakhapatnam port cruise terminal.

- The key ports are expected to deliver seven projects worth more than ₹2,000 crore (US\$274.31 million) on a public-private partnership basis in FY2022.

Growing investments and cargo traffic indicate a bright future for India's port sector. These investments assist providers of services such as operation and maintenance (O&M), pilotage and harbour, and maritime assets such as barges and dredgers. Port capacity expansion is predicted to rise at a CAGR of 5-6% through 2022, adding 275-325 MT. Domestic waterways have been discovered to be an economical and ecologically friendly form of freight transportation. By 2030, the Government is seeking to have 23 operating waterways. More than 574 projects totalling around ₹6 Lakh Crore (US\$ 82 billion) have been scheduled for implementation as part of the Sagarmala project between 2015 and 2035. In Maritime India Summit 2021, the Ministry of Ports, Shipping and Waterways identified a total of 400 projects worth around ₹2.25 Lakh Crore (US\$31 billion) investment potential. According to a report by the National Transport Development Policy Committee, the country's cargo traffic handled by ports was expected to reach around 1,695 million metric tonnes by FY2022.





## Management Discussion & Analysis

### Indian Power Sector

#### Power Demand

India is the third-largest producer and second-largest consumer of electricity worldwide, with an installed power capacity of around 395.07 GW, as of January 2022. The growing population and increasing electrification and per-capita usage will provide further impetus. Power consumption was estimated to reach about 1,894.7 TWh in 2022. According to World Energy Outlook (WEO), energy consumption has doubled since 2000, with 80% of demand still being met by coal, oil, and solid biomass.

India is expected to have the highest growth in energy consumption of any country until 2040 on the back of the country's economic growth, population, urbanisation, and industrialisation. Historically, the Nation's economic growth has been driven mainly by the services sector rather than the more energy-

intensive manufacturing sector. The urbanisation rate in India has also been slower than in other comparable nations. Even at a low anticipated pace of urbanisation, around 270 million people will be added to the urban population during the next two decades. This will result in a fast expansion of the building stock and associated infrastructure, exemplifying the global manufacturing shift towards the country. According to the Stated Policies Scenario (STEPS), as the country modernises, its pace of energy demand increases is three times the world average.

In the Union Budget of FY2023, the Government announced the issuance of sovereign green bonds and conferred infrastructure status to energy storage systems, including grid-scale battery systems. Further, around ₹19,500 Crore (US\$ 2.57 billion) is allocated for a PLI scheme to boost the manufacturing of high-efficiency solar modules.





### Thermal Energy: Coal

The Government issued new coal stocking norms on December 12, 2021, to maintain adequate coal stocks by coal-based thermal power plants with provisions for a penalty for the non-maintenance of prescribed coal stock.

The new norms mandate estimates of the daily coal requirement for pithead and non-pithead plants at 85% plant load factor (PLF). According to the rules, the stock needs to be maintained for 12–17 days for pithead plants and 20–26 days for non-pithead plants, respectively. Month-wise variation will allow dispatch/coal consumption patterns during the year.

Around 26.4 million tonnes (mt) of coal stock was available with the Thermal Power Plants (TPP) on March 14, 2022. This is about 39% of the normative coal stock required to be maintained by the TPPs. Higher capacity utilisation reduces costs for both power producers and distribution companies.

Coal-based power installed capacity in India stood at 203.9 GW in January 2022 and is expected to reach 330–441 GW by 2040. For FY2022, electricity generation obtained from conventional sources was at 1,356 BU, comprising 1,032.39 BU of thermal energy.

### Renewable Energy: Hydro

The Indian renewable energy sector is the world's fourth most attractive renewable energy market. As of 2020, The country was ranked fourth in wind power, fifth in solar power and fourth in renewable power with installed capacity. As the Nation looks to meet its energy demand on its own, which is expected to reach 15,820 TWh by 2040, renewable energy is set to play an important role. The Government plans to establish a renewable energy capacity of 523 GW (including 73 GW from Hydro) by 2030.

As of January 2022, the country's installed renewable energy capacity stood at 152.36 GW, representing 38.56% of the overall installed power capacity. Hydropower is estimated to contribute around 46.51 GW. The renewable energy capacity addition stood at around 8.2 GW for the first eight months of FY22 against about 3.4 GW for FY21.

The Central Electricity Authority (CEA) estimates that the country's power requirement will grow to around



817 GW by 2030. The Government plans to establish a renewable energy capacity of about 500 GW by 2030. In 2022, a hydropower capacity of about 46,512 MW (megawatts) accounted for roughly 11.7% of the total capacity. It should be noted that approximately 12% of power generation in 2020–21 was from hydropower.

Many hydropower plants can ramp their electricity generation up and down rapidly compared to other power plants such as nuclear, coal, and natural gas. Hydropower plants can also be stopped and restarted relatively smoothly. This high degree of flexibility enables them to adjust quickly to demand shifts and for foundations in supply from resources. Currently, hydropower plants account for almost 30% of the world's capacity for flexible electricity supply.

# Management Discussion & Analysis

## COMPANY OVERVIEW

AJR INFRA AND TOLLING LIMITED (formerly Gammon Infrastructure Projects Limited) is an infrastructure project development Company participating in the development of infrastructure projects on a Public-Private Partnership (PPP) basis.

### Crafting a Future with New Possibilities.

#### PROFICIENCY

Your Company derives its strength from its multi-segment presence in the infrastructure sector and its two decadal experience and technical expertise.

#### PORTFOLIO

Your Company has experience in executing more than **11 projects**, including **4 Road Projects, 1 Real Estate Project, 4 Power Projects** and **2 Port Projects**.

#### SECTORAL PRESENCE

Your Company has become one of the world's leading construction companies, diversified into infrastructure management, transmission lines and the power sector. Our step-down subsidiary acquired a real estate Company with a project in Bhopal as a pipeline.

#### AGILITY

The Company can respond swiftly to the emerging opportunities. This agility has been derived from the fact that it qualifies as per the norms of NHA1, other statutory corporations and government companies to bid for OMT and tolling projects, Port and Power Projects.







#### TRACK RECORD

Your Company has accomplished this by fusing tremendous knowledge with groundbreaking skills and harnessing men and materials across diverse projects. For one of the power project subsidiaries under the Insolvency and Bankruptcy Code (IBC), your Company made all the debt settlements, which are now out of insolvency proceedings and is under the management's control.

#### ENDURING RELATIONSHIPS

Your Company has a strong relationship with their stakeholders due to the repeated engagements, always satisfying all parties concerned.

#### REACH

Your Company's projects are spread across seven states in India, which include Maharashtra, Andhra Pradesh, Uttar Pradesh, and Bihar, among others.

#### FINANCIAL CAPABILITY

We arranged additional funding infusion for AJRINFRA through FY2022, which improved our overall liquidity and ability to function smoothly.

#### BUSINESS STRATEGY

Your Company is identifying and analysing potential projects in the existing and new sectors to diversify its revenue sources.



## Management Discussion & Analysis

### AJRINFRA – Project Portfolio – 2022



Details	PHPL	RGBL	SSRPL	Duburi Chandikhole
<b>Location</b>	Bihar	Andhra Pradesh	Madhya Pradesh	Odisha
<b>Client</b>	NHAI	APRDC	MPRDC	NHAI
<b>Project Length / Capacity</b>	63.17 Kms	14.715 Kms	105.587 Kms	39.4 Kms
<b>Annual Annuity (Rs. in Crores)</b>	Rs. 189.2 crores	NA	NA	NA
<b>Concession Period</b>	15 years	25 years	30 years	2 ½ years (construction)
<b>Project Cost</b>	Rs. 1,466.39 Crores	Rs. 1,071 crores	Rs. 1,159.72 Crores	Rs. 577 Crores
<b>Project Stage</b>	PCOD obtained for 39.30 Kms, 23.87 Kms under construction	Operational	Terminated	Under Construction
<b>Revenue Model</b>	Annuity	Toll	Toll	EPC

#### PCOD: Provisional Commercial Operations Date

<b>*PHPL</b>	Patna Highway Projects Limited	VSPL	Vizag Seaport Private Limited
<b>**RGBL</b>	Rajahmundry Godavari Bridge Limited	ICTPL	Indira Container Terminal Private Limited
<b>SSRPL</b>	Sidhi Singrauli Road Project Limited	PREL	Pravara Renewable Energy Limited
<b>SHPVL</b>	Sikkim Hydro Power Ventures Limited		



VSPL	ICTPL	PREL	SHPVL
Andhra Pradesh	Maharashtra	Maharashtra	Sikkim
Visakhapatnam Port Trust	Mumbai Port Trust	Padamshree Dr. Vithalrao Vikhe Patil Sahakari Sakhar Karkhana	Energy & Power Department of Government of Sikkim
9 MTPA Capacity	1.2 Million TEUs Capacity	30 MW Capacity	66 MW Capacity
NA	NA	NA	NA
30 years	30 years	25 years post COD	35 years post COD
Rs. 349 Crores	Rs. 1,233 Crores	Rs. 274 Crores	Rs. 496 Crores
Operational	Alternate Interim RORO and steel operations	Operational	Under Construction
Revenue Share 17.111%	Revenue Share 35.064%	Sale of power, steam to client; surplus power to MSEDCL	IPP

*\*On 10th May, 2022, the Hon'ble National Company Law Tribunal, New Delhi vide its order dismissed the Company's application filed under Section 60(5) of Insolvency And Bankruptcy Code, 2016. The Company has filed an appeal with the National Company Law Appellate Tribunal, New Delhi Bench.*

*\*\*On 10th August, 2022, the Hon'ble National Company Law Tribunal, Mumbai vide its order dismissed the Company's interlocutory application filed under Section 12A of Insolvency And Bankruptcy Code, 2016. The Company has filed an appeal with the National Company Law Appellate Tribunal, Mumbai.*

## Management Discussion & Analysis

### Operational Projects

#### Vizag Seaport Private Limited

Vizag Seaport Private Limited ('VSPL') is the Special Purpose Vehicle (SPV) formed by the Company to operate Two Multi-Purpose Berths EQ-8 & EQ-9 Berths in the Northern Arm of the Inner Harbour at Visakhapatnam Port on a Build, Operate and Transfer (BOT) basis for a period of 30 years under a Concession Agreement dated 28th November 2001 signed with VSPL with Visakhapatnam Port Trust with a Terminal capacity of 9 MTPA. The terminal offers its customers the berthing & handling facilities up to Baby Cape Size Vessels arriving with a Draft of -14.5 m. While the commercial operations commenced in July 2004, the Terminal has been handling about 7 MTPA at present and for the Financial Year 2021-22 handled 6.57 Million Tons.

VSPL controls the road movement of the cargo with digital challans for effective turn-around time of fleet on the field. The recent electrification of VSPL railway sidings are providing cost effective operation of locos that is being passed onto major clients.

On 17th November, 2021, the Company had completed sale of 2,87,73,117 equity shares of Rs.10/-

each (33.00% of the total paid-up capital of VSPL) held by the Company in VSPL to Shripriya Ports Private Limited at a consideration of Rs.26.40 Crores. Consequent to the aforesaid sale VSPL ceased to be a subsidiary of the Company.

The Covid-19 pandemic and the restrictions in movement ordered by the Central and State Governments affected the operations of VSPL during the first quarter of the financial year. The situation improved gradually moment the government lifted the restrictions in movement thereby resulting in improved operational performance of VSPL.

Financial performance of VSPL is as under:

	(₹ in Lakhs)	
	FYE - March 2022	FYE - March 2021
Total Revenue	<b>19281.99</b>	17,975.45
EBITDA	<b>7118.68</b>	14,328.15
Profit after Tax	<b>802.93</b>	(3,813.69)
Equity Share Capital	<b>8719.13</b>	8,719.13
Reserves and Surplus	<b>166.11</b>	(360.62)

The project has been capitalized at Rs.34,869.77 Lakhs.





### Pravara Renewable Energy Limited

Pravara Renewable Energy Limited ('PREL') is a SPV formed by the Company to set up 30 MW co-generation power project on Built, Own, Operate and Transfer (BOOT) basis in Pravara Nagar, Tal. Rahata, Dist. Ahmednagar in Maharashtra for the concession period of 25 years ('PREL Plant') with Padmashri Dr. Vitthalrao Vikhe Patil Sahakari Karkhana Limited ('Karkhana'). The Karkhana is a co-operative sugar factory registered under the provisions of the Maharashtra Co-operative Societies Act, 1960.

PREL Plant had commenced operations on 6th November 2015 and successfully operated seven crushing seasons. The viability of the PREL Plant depends upon the ability of PREL to procure bagasse / alternate fuel at a viable price either from Karkhana under the arrangement to supply them power & steam in return or from the open market.

Crushing Season 2020-21 was finished in the 1st week of May, 2021 and the operations at PREL Plant had to be stopped due to non-availability of bagasse / alternate fuel.

PREL vide letters dated 29th May, 2021, 3rd August, 2021 & 6th August, 2021 had asked Karkhana to supply

bagasse as per the Addendum Agreement dated 14th October, 2020 or compensate PREL for short supply of contracted bagasse fuel to PREL. However, Karkhana vide its letter dated 4th September, 2021 had rejected PREL's claim and aggressively started interfering in the affairs of PREL plant and deputed its manpower in each & every department and started maintenance of the PREL plant by keeping PREL manpower away by using their muscle power.

Based on Karkhana's conduct as above, PREL had approached Hon'ble High Court of Bombay on 12th October, 2021 for the interim relief. The Hon'ble High Court of Bombay vide order dated 11th April, 2022, pending the hearing and final disposal of the arbitral proceedings, making of the arbitral Award and until final execution of the arbitral Award, restrained the Karkhana, its board of directors, promoters, partners, employees, agents, representative and any one acting on behalf of the Karkhana, in any manner from entering the premises of the PREL's Co-generation plant and from carrying out any work / activity for the repairs / maintenance / operation of the PREL plant.

However, Karkhana ignored the order passed by the Hon'ble High Court of Bombay providing interim relief to PREL and continued with illegal control and operations of the PREL plant.

On 9th March, 2022, Union Bank of India affixed the impugned notice dated 9th March, 2022 under Section 13(4) of the Recovery of Debts and Bankruptcy Act, 1993 read with Rule 8(1) of the Rules at the premises of the PREL Plant. PREL has challenged the said notice dated 9th March, 2022 at DRT, Mumbai.

Based on PREL's application under Section 9 of Arbitration And Conciliation Act, 1996 against the Karkhana before the Hon'ble Bombay High Court, the Single Bench of Hon'ble Bombay High Court passed an order dated 11th April, 2022 instructing the Karkhana to vacate the PREL Plant, restraining the Karkhana representatives from entering the premises of the PREL Plant and from carrying out any work / activity for the repairs / maintenance / operation of the PREL plant pending the hearing and final disposal of the arbitral proceedings.

Subsequently, based on Karkhana's appeal before Division Bench of the Hon'ble Bombay High Court and



## Management Discussion & Analysis

then Special Leave Petition (SLP) filed by PREL with the Hon'ble Supreme Court, the Hon'ble Supreme Court had asked PREL to approach Arbitral Tribunal for relief since the same was constituted. Accordingly, PREL filed its relief application under Section 17 of Arbitration And Conciliation Act, 1996 on 18th July, 2022 against the Karkhana before the Arbitral Tribunal.

In the meantime, Karkhana had approached Debts Recovery Tribunal, Aurangabad and filed a Securitization Application thereby challenging the intention of the lenders as per the SARFAESI Act and the Rules thereunder with respect to the leased land. Also, recall notice dated 27th September, 2021 and 22nd November, 2021 issued by Central Bank of India and Union Bank of India respectively (collectively 'Lenders') vide which the Lenders recalled the entire outstanding amounts owed by PREL. Subsequently, the Lenders had jointly filed an Original Application no. 69/2021 before the DRT-II, New Delhi against PREL and others for the enforcement of the claims of Lenders in respect of the Term Loan and Working Capital Loan sanctioned to the PREL. DRT II, Delhi passed an ex-parte Order dated 15th February, 2022 whereby status quo was directed in respect of the assets of PREL as per Section 19(4) of the Recovery of Debts and Bankruptcy Act, 1993. PREL has challenged the Order passed by DRT II, Delhi before Debt Recovery Tribunal II, Delhi on 23rd February, 2022.

This also serves as a clarification by the management to the qualifications made by the Statutory Auditors in their Independent Auditors Report and reproduced in the Directors Report as required under Section 134 of the Companies Act, 2013.

The total capitalisation of the project is Rs.274 Crores as on March 31, 2022.

Financial Performance of PREL is as under:

	(₹ in Lakhs)	
	FYE – March 2022	FYE – March 2021
Total Revenue	<b>2,160.80</b>	3,145.74
EBITDA	<b>153.48</b>	373.48
Profit after Tax	<b>(3,817.77)</b>	(3,675.71)
Equity Share Capital	<b>4,792.00</b>	4,792.00
Reserves and Surplus	<b>(15,750.16)</b>	(11,933.52)

### Projects under Construction

#### Indira Container Terminal Private Limited

Indira Container Terminal Private Limited ('ICTPL') is a Special Purpose Vehicle promoted by the Company, Gammon India Limited and Noatum Ports Sociedad Limitada Unipersonal SLU, formerly known as Dragados SPL, Spain.

ICTPL and the Board of Trustees of the Port of Mumbai ('MbPT') entered into a License Agreement ('LA') dated 3rd December 2007 for the construction and development of an Offshore Container Terminal on Build, Operate and Transfer (BOT) basis in the Mumbai Harbor ('OCT Project') and to carry out container operations from the existing Ballard Pier Station Container Terminal (BPS) of MbPT for a period of 5 years from the date of award of the License or 2 years from the commissioning of the OCT Project whichever earlier.

As per the LA, both MbPT and ICTPL were required to fulfil obligations to ensure that the OCT Project commences operations within 3 years of date of award of the License. However, MbPT has till date did not fulfil its obligations of completing even the critical activities of capital dredging, filling of Prince's and Victoria Docks, permission for procuring equipment and other facilities for enabling ICTPL to complete its share of obligations and commence operations from the OCT Project.

As the delay in commencing the operations were beyond the limits set by Reserve Bank of India, the Lenders classified the account as Non-Performing Asset. As a result, the Lenders halted further disbursements of loans resulting in the construction work coming to a complete standstill.

ICTPL had constructed the two offshore berths and a connecting link between the offshore berths and the mainland, a Y shaped trestle. ICTPL requested MbPT to allow it to use the completed berths for handling vessels that do not require large draft as in case of the container vessels. After much discussions with officials of MbPT, ICTPL was allowed to handle Roll On and Roll Off (RORO) vessels and Steel cargo vessels from its OCT Project terminal from July 21, 2015 on alternative interim basis. The Gross Revenue earned from these interim alternative operations was shared between MbPT, ICTPL and Lenders in the ratio of 55:20:25.



During the Financial Year 2021-22, ICTPL has handled 103 RORO vessels, 17 Steel vessels and 1 Passenger vessel with 120,008 vehicle units earning revenue of Rs.48.27 Crores.

For reviving the OCT Project, joint discussions were held between ICTPL, MbPT and the Lenders of the Project. Based on these discussions and active support from the Ministry of Shipping ('MoS'), a settlement agreement was drafted which was sent to the MoS for their approval. Recommendations from Niti Ayog as well favourable opinion was received from the Attorney General's office of Government of India. Despite all this, the draft settlement agreement could not be implemented as the same did not receive final approval from the Government of India.

The Lenders' attempt of invoking the Substitution Clause under Common Loan Agreement was not successful.

ICTPL has invoked the Dispute Resolution Clause under the LA. An Arbitral Tribunal has been formed and the arbitration process is underway. Both ICTPL and MbPT has submitted Statement of Claims and Statement of Counter Claims to the Arbitral Tribunal.

ICTPL has initiated a fresh attempt to resolve and revive the stalled Project. A One Time Settlement proposal has been submitted by ICTPL to its Lenders and the same is under consideration by the Lenders.

MbPT has approached ICTPL to settle all the disputes which are pending for adjudication by the Arbitral Tribunal. ICTPL has agreed to participate in the conciliation process subject to the condition that the same would be completed in a time bound manner.

This also serves as a clarification by the management to the qualifications made by the Statutory Auditors in their Independent Auditors Report and reproduced in the Directors Report as required under Section 134 of the Companies Act, 2013.

Financial Performance of ICTPL is as under:

	(₹ in Lakhs)	
	FYE – March 2022	FYE – March 2021
Total Revenue	<b>4,827.77</b>	3,370.85
EBITDA	<b>3,153.85</b>	2,503.47
Profit after Tax	<b>(13,402.64)</b>	(12,835.41)
Equity Share Capital	<b>10,156.60</b>	10,156.60
Reserves and Surplus	<b>(60,944.57)</b>	(47,543.76)

### Sidhi Singrauli Road Project Limited

Sidhi Singrauli Road Project Limited ('SSRPL') is a SPV incorporated by the Company for design, construction, finance and maintenance of a 102.6 kms long, four-lane dual carriageway on NH-75E, which includes the construction of new bypasses of Kauchwahi, Behri, Karthua, Bargawa and Gorbi and re-alignment of certain stretches ('SSRPL Project').

SSRPL Project is located in the State of Madhya Pradesh and is under development on Build, Operate and Transfer (BOT / Toll) basis. The Concession period is 30 years, including the construction period of 2 years. SSRPL will be entitled to collect toll in the entire operation period in lieu of its investment



## Management Discussion & Analysis

for development of the SSRPL Project. The total project cost is estimated at Rs.1,14,972 Lakhs. The construction activities on the project started in September 2013.

SSRPL Project was facing various issues like land acquisition, Forest and Environmental Clearances, approval to GADs etc. since start of the SSRPL Project. The construction activity was halted due to lack of finance since October 2018. Your Company had attempted to obtain finance to complete the SSRPL Project despite of minimal support from the MPRDC in resolving various issues aroused due to non-fulfilment of MPRDC's Conditions Precedent. Ultimately, the MPRDC had terminated the SSRPL Project on 13th August, 2020.

SSRPL received a letter from Punjab National Bank, Lead Bank ('PNB') of the consortium of banks for the one-time settlement of the debts of SSRPL at Rs.275 Crores.

SSRPL is pursuing arbitration proceedings against MPRDC and Ministry of Road Transport and Highways in order to determine the party liable for settlement of the afore-mentioned OTS with the PNB.



### Real Estate Project

#### Sony Mony Developers Private Limited

Ras Cities And Townships Private Limited, a wholly-owned subsidiary ('RCTPL') of Gammon Projects Developers Limited, a wholly-owned subsidiary of the Company entered into a Memorandum of Understanding dated 13th May, 2022 with the promoters of Sony Mony Developers Private Limited ('SMDPL') for acquiring 10,000 equity shares of Rs.10/- each of SMDPL being 100% of total paid-up capital of SMDPL. The said transfer of 10,000 equity shares of SMDPL to RCTPL was completed on 9th June, 2022.

SMDPL is in the business of acquiring property, real estate by way of purchase, lease or otherwise and to develop property, real estate and to turn to account such property, real estate by way of sale, lease, renting out or otherwise.

Financial Performance of SMDPL is as under:

	(₹ in Lakhs)	
	FYE - March 2022	FYE - March 2021
Total Revenue	<b>864.49</b>	12.67
EBITDA	<b>(177.75)</b>	1.18
Profit after Tax	<b>(177.75)</b>	(19.95)
Equity Share Capital	<b>1.00</b>	1.00
Reserves and Surplus	<b>254.84</b>	432.59

### Projects under Development

#### Duburi - Chandikhole

The Company, in joint venture with Gammon Engineers and Contractors Private Limited as the Lead member of the Joint Venture (JV), had made successful bid and received the Letter of Award dated 31st January, 2018 from the National Highways Authority of India (NHA) for "Rehabilitation and Up gradation of existing 2-lane to 4-lane standards from Duburi to Chandikhole Section of NH 200 (New NH 53) from km. 388.376 to km 428.074 in the State of Odisha under NHDP Phase - III on EPC Mode (Pkg- III)".

The JV signed EPC Agreement with NHA followed by Settlement Agreement in January, 2020 for a quoted bid price of Rs.577 Crores for executing the entire scope of work within the contract period of 30 months

from 11th February, 2020 ('the Appointed Date'). The contract value was further revised to Rs.550.57 Crores due to change in pavement from concrete to flexible. Also, due to COVID 19 pandemic, the completion date is also revised to 8th February 2023.

The JV has commenced the EPC works at site and has achieved first two milestone within time and progressing well as per plan to achieve 3rd milestone. The Company has achieved 52% of financial progress as on 31st March 2022.

### Sikkim Hydro Power Ventures Limited

Sikkim Hydro Power Ventures Limited ('SHPVL') is the Special Purpose Vehicle incorporated for developing Rangit II Hydroelectric Power Project in Sikkim on BOOT basis ('SHPVL Project'). SHPVL Project involves the development of a 66 MW run-of-the-river Hydroelectric Power Project on Rimbi River, a tributary of River Rangit.

The Concession period for the SHPVL Project is 35 years from the Commercial Operations Date (COD), which expired in December-2015. SHPVL has requested the Government of Sikkim for extension of time to achieve COD. The financial closure for the SHPVL Project was achieved in January 2014, which requires revalidation. The Project cost is estimated to be Rs.49,644 lakhs.

SHPVL Project has received all clearances and approvals including environmental clearances from the Ministry of Environment and Forest (MoEF). Resettlement and Rehabilitation of the affected persons has been completed, except for additional land which was acquired by Government of Sikkim later on. All major contracts for the SHPVL Project have been awarded. All the initial infrastructure works including river diversion works are completed. The excavation of 65.5m deep Surge Shaft is completed, 624m Head Race Tunnel (HRT), 267m of Pressure Shaft (PS) is also completed and further excavation of HRT, PS and Dam is in progress.

One of the operational creditor had filed an application before the Hon'ble National Company Law Tribunal, Delhi bench ('NCLT') and same was admitted on 30th July, 2021. Accordingly, Resolution Professional (RP) was deputed by Hon'ble NCLT

who had formed the Committee of Creditors. Subsequently, the claims of the operational creditor had been settled and accordingly, the creditor had withdrawn his claims before the Hon'ble NCLT.

Based on an application under Section 12A of Insolvency And Bankruptcy Code, 2016 moved by the RP intimating the Hon'ble NCLT about the settlement of matter between the parties, clearance of all dues and fees, the Hon'ble NCLT had vide its Order dated 3rd June, 2022, terminated the insolvency proceedings, discharged the RP and allowed ex-management of SHPVL to take up the management of SHPVL. Consequently, the Board of Directors of SHPVL has taken up the management of SHPVL.

The Board of Directors of the Company at its meeting held on 20th July, 2022 had proposed to sell / transfer / dispose / dilute in any manner whatsoever of 6,27,35,942 equity shares of Rs.10/- each constituting 100% of the total paid up capital of SHPVL to Statkraft IH Holding AS, ('Statkraft') a company having its office at Oslo, Norway and engaged in the business of renewable energy, hydro wind power and solar power projects.

The Board of Directors of the Company at its meeting held on 1st September, 2022, consequent to approval of the shareholders at its Extraordinary General Meeting held on 12th August, 2022, approved the Share Purchase Agreement ('SPA') to be executed between the Company, SHPVL and Statkraft for sale and transfer of 6,27,35,942 equity shares of Rs.10/- constituting 100% equity shareholding held by the Company in SHPVL to Statkraft for a total consideration of Rs.90 Crores (including repayment of the liabilities of SHPVL).

### Cochin Bridge Infrastructure Company Limited

Cochin Bridge Infrastructure Company Limited ('CBICL') is a SPV promoted by the Company, which constructed the New Mattancherry Bridge at Cochin in Kerala on a Build, Operate and Transfer (Toll) basis. The 480-metre long bridge along with the 200-metre approach road on both ends connects Fort Kochi to Willingdon Island in Cochin Port Trust area. It was operational for 14 years from October 1999 to April 2014. The total capitalisation of the Project was done at Rs.879.45 Lakhs.

## Management Discussion & Analysis

The original concession period of CBICL was valid till 27th April, 2014, which was extended by the Government of Kerala ('GOK') by six years till 27th April, 2020 by its Government Order dated 24th January 2005. The extension happened because CBICL had not revised the toll rates based on WPI as per the terms of the Concession and other compliance deficiencies on the part of GOK with reference to the Concession Agreement. However, instead of entering into a supplementary agreement to amend the original concession agreement, as agreed, GOK choose to unilaterally cancel its Government Order dated 24th January 2005 by passing the Government Order dated 26th December 2008. CBICL had referred the issue to arbitration and the Arbitral Tribunal had passed orders permitting CBICL to collect the toll fees till further notice. However, the Greater Cochin Development Authority ('GCDA') has on 27th April 2014 (on the last day of the original concession period), without compensating CBICL and in disregard of the Arbitral Tribunal orders, chose to unilaterally seal the toll booths of CBICL at the Mattancherry Bridge at Kochi.

The GoK showed inclination / willingness to settle the matter through mutual negotiations. Hence, CBICL has put the arbitration proceedings on hold pending settlement discussions with the GoK. Further, CBICL

has approached Hon'ble High Court of Kerala for seeking directions to the GoK to conclude its decision on settlement discussions expeditiously. The Hon'ble High Court of Kerala was pleased to direct the GoK to decide the matter within a period of 3 (three) months, which period was further extended till 23rd June 2017.

On the directions of Hon'ble High Court of Kerala, the GoK decided to pay about Rs.16.23 Crores to CBICL, however, the same is yet to be received due to some representation from local resident. Therefore, CBICL has recently moved Interim application before the Hon'ble High Court of Kerala and has filed fresh writ in the matter before the Hon'ble High Court of Kerala for necessary legal relief.

The Hon'ble High Court of Kerala has passed an order in August 2019 on the fresh writ petition filed by CBICL allowing the revival of the arbitration proceedings, and informed GCDA / GoK in January, 2020 for revival of the Arbitration proceedings which was earlier kept in abeyance. GCDA response is awaited in the matter.

### Youngthang Power Ventures Limited

Youngthang Power Ventures Limited ('YPVL') is a Special Purpose Vehicle formed by the Company for development of a 261 MW run-of-the-river hydro-electric power project on the River Spiti in Himachal





Pradesh on a Build, Own, Operate and Transfer (BOOT) basis at an estimated cost of Rs.2,500 Crores, awarded by the Government of Himachal Pradesh (GoHP). The concession period of the Project is 40 years, post commencement of commercial operations.

YPVL has not been able to proceed with the studies to prepare the Detailed Project Report due to opposition from local farmers to the Project on environmental grounds. The Company has sought the State Government of Himachal Pradesh's (GoHP) intervention in the matter to take necessary actions, including seeking of necessary consents from the gram panchayat so as to enable YPVL to take up site investigation work and preparation of DPR. However, there is no progress in this regard.

YPVL had invoked arbitration on 19th February 2018 and nominated an arbitrator on 16th March 2018 against the GoHP to protect the Company's interest in YPVL. YPVL had filed an application under Section 11(4) of the Arbitration and Conciliation Act, 1996 before the High Court of Himachal Pradesh. YPVL then proceeded to submit its Statement of Claims with the Arbitral Tribunal in January, 2022. In response, the GoHP submitted its Statement of Defence in April, 2022. Cross examination of witnesses was carried out on 18th November, 2022. Next hearing of the Arbitral Tribunal for arguments is scheduled on 26th December, 2022.

### Tidong Hydro Power Limited

Tidong Hydro Power Limited ('THPL'), a Special Purpose Vehicle formed by the Company has signed an agreement with the Government of Himachal Pradesh (GoHP) for developing a 60 MW Tidong – II hydroelectric project in Himachal Pradesh. The pre-feasibility report for the project has been prepared and submitted to the GoHP, which has since been approved. The concession period of the Project is 40 years, post commencement of commercial operations.

Geo-Technical Studies, Detailed Project Report (DPR) and Environmental Impact Assessment Studies by THPL are under progress. The preparation of DPR is delayed due to local villagers' dispute, inadequate access to site and road blockages, unfavourable

weather conditions due to high altitude and issues beyond the control of THPL. THPL has requested GoHP for the resolutions of the issues.

## Projects Under Insolvency

### Rajahmundry Godavari Bridge Limited

Rajahmundry Godavari Bridge Limited (RGBL) is a Special Purpose Vehicle (SPV) incorporated by the Company for design, construction, finance, operation and maintenance of a 4.15 kms long four-lane major bridge across river Godavari along with 10.34 kms of total approach roads on either side of the bridge, which connects Kovvur and Rajahmundry in the State of Andhra Pradesh on Build, Operate and Transfer (BOT/Toll) basis (the RGBL Project). The concession period for the project is 25 years, including a construction period of three years. RGBL commenced operations in November 2015 on achieving the Provisional Commercial Operations Date (PCOD).

In July 2018, RGBL had served a notice to Andhra Pradesh Road Development Corporation (APRDC) communicating intent of termination of the Concession Agreement (CA) on account of several breaches of the said CA by APRDC. Upon service of Termination Notice in terms of the said CA, Termination payments to the extent of Rs.1,123.37 Crores had become due and payable by APRDC within 15 days from the date of the Termination Notice.

On the same day, Union Bank of India (UBI), one of the Lenders for the RGBL Project had initiated and filed an application for Corporate Insolvency Resolution Process against the Company before the Hon'ble National Company Law Tribunal, Mumbai Bench (NCLT). The Company had requested UBI to reconsider moving the proceedings before NCLT and explore better options in the interest of the Project, the Lenders and all other stakeholders.

RGBL has served a dispute notice to APRDC and Arbitration was invoked against APRDC under the provisions of the CA seeking compensation payment aggregating to Rs.460.06 Crores. The parties to the arbitration have nominated their arbitrators and the Arbitral Tribunal has been formed.

On 31st October, 2018, Canara Bank, Lead Bank of

## Management Discussion & Analysis

the Consortium of Lenders to RGLB, had invoked pledge of 10,40,19,039 equity shares of Rs.10/- each constituting 51% of the paid up equity capital of RGLB held by the Company in RGLB, through the Security Trustee.

In accordance with Section 7 of the Insolvency & Bankruptcy Code, 2016, ('IBC Code') the Corporate Insolvency Resolution Process of RGLB was initiated by the National Company Law Tribunal, Mumbai on 27th February, 2020 and pursuant to Section 17 of the IBC Code, powers of the Board of Directors of RGLB is suspended and such powers are vested with Mr. Vishal Ghisulal Jain, Interim Resolution Professional. Subsequently, Mr. Sanjay Mishra is appointed as Resolution Professional in August 2020.

On 10th August, 2022, the Hon'ble NCLT vide its order dismissed the Company's interlocutory application filed under Section 12A of Insolvency And Bankruptcy Code, 2016. The Company has filed an appeal with the National Company Law Appellate Tribunal, Mumbai Bench against the said order passed by the Hon'ble NCLT.

This also serves as a clarification by the management to the qualifications made by the Statutory Auditors in their Independent Auditors Report and reproduced in the Directors Report as required under Section 134 of the Companies Act, 2013.

### Patna Highway Projects Limited

Patna Highway Projects Limited (PHPL) is the Special Purpose Vehicle (SPV) incorporated by the Company for design, construction, finance and maintenance of a 63.17 kms long four-lane dual carriageway on NH 77. This includes new bypass of 16.87 kms connecting NH-28 in the State of Bihar on Build, Operate and Transfer (Annuity) basis. The Company has an equity stake of 100% in PHPL. The Concession period is 15 years, including a construction period of 30 months. PHPL will receive annuity payments of Rs.9,460 Lakhs semi-annually from NHAI during the entire operations period. The total project cost is estimated to be Rs.146,639 Lakhs.

PHPL project has been delayed on account of non-availability of Right of Way (RoW) over certain stretches of the Project highway. The Provisional Commercial Operation date was obtained on 1st

September 2016 for the Project stretch from Km. 1.000 to Km. 41.500 excluding stretch from Km. 9.400 to Km 10.600. PHPL has received 4 annuity payments since PCOD amounting Rs. 378.40 Crores.

In accordance with Section 9 of the Insolvency & Bankruptcy Code, 2016, (IBC Code) the Corporate Insolvency Resolution Process of PHPL was initiated by the National Company Law Tribunal, Mumbai by their order dated 3rd January, 2020 and pursuant to Section 17 of the IBC Code, powers of the Board of Directors of PHPL is suspended and such powers are vested with Mr. Sutanu Sinha, Resolution Professional. PHPL has submitted a proposal under Section 12A of the IBC code to the Resolution Professional.

On 10th May, 2022, the Hon'ble NCLT vide its order dismissed the Company's application filed under Section 60(5) of Insolvency And Bankruptcy Code, 2016. The Company has filed an appeal with the National Company Law Appellate Tribunal, New Delhi Bench against the said order passed by the Hon'ble NCLT.

This also serves as a clarification by the management to the qualifications made by the Statutory Auditors in their Independent Auditors Report and reproduced in the Directors Report as required under Section 134 of the Companies Act, 2013.

### Risk Management

AJRL knows the risk environment in which it operates and has an enterprise risk management framework to identify, analyse, mitigate, and monitor various risks. Your Company is vulnerable to several sector-specific and generic concerns. Public-Private Partnership (PPP) projects, which your firms bid on and conduct for the Government Authorities, are capital intensive and have gestation periods ranging from 3 to 5 years, with longer ownership terms ranging from 15 to 35 years. Due to the varied segments in which it operates, the road sector, power sector, ports, or urban development, a robust, effective, and agile Risk Management Framework is critical to ensure that your Company's operational objectives are met. It continues to deliver sustainable business performance.

AJRL has taken various measures to boost its risk management approach. An enterprise-wide comprehensive risk management strategy, including

risk appetite, tolerance, and limitations, has been designed and refined for more effective, informed, and quantifiable risk management. As part of its risk diversification strategy, the firm collaborates with third-party Engineering, Procurement, and Construction (EPC) contractors in addition to its associate Company.

Your Company has a methodology to research the risk profiles of possible vendors and contractors and an internal vendor risk assessment mechanism. This ensures that projects run smoothly and avoid vulnerabilities caused by third-party dependencies. The review procedure for all projects your Company conducts at various phases, from building to execution, is also being streamlined and enhanced.

**Operational Risks:** Most firms recognise that mistakes will inevitably be made by their personnel and operating procedures. Practical corrective measures should be highlighted in evaluating operational risk to eliminate exposures and guarantee effective responses. **Some of the risks that arise from inefficiencies and internal breakdowns in normal operations are as follows:**

- Project Opportunity Risk due to erroneous omission and insufficient or incorrect appraisal of a project opportunity available for development.
- Bidding Risk due to insufficient or incorrect assumptions employed while calculating the Financial Bid Variable.
- Financing Risk due to failure to achieve or obtain financial closure at a higher cost than expected.
- Ownership and Maintenance Risk due to various risks encountered during the project's operations and maintenance phases.

#### **Mitigation Efforts:**

AJRIL has a strong 'Two Tier' approach to project feasibility (technical review) and project financial viability (Financial Review). Careful project selection and comprehensive appraisal reduce the possibility of involvement in 'Non-Bankable – Non-Profitable' ventures. Furthermore, your Company employs a risk-specific bid/project risk assessment approach to identify significant risks associated with particular

opportunities and projects and their mitigation planning and ongoing monitoring.

Your Company has established standard operating procedures at the sectoral, functional, and departmental levels to maintain business process productivity, responsibility, and accountability at multiple levels. The standard operating procedures are being enhanced and backed by suitable checks and balances, including integrated risk-based internal audit and document management systems. This has aided in establishing an initiative-taking risk management culture throughout the organisation, with the necessary support structures in place.

AJRIL continuously enhances its internal checks and controls to detect and mitigate operational risks. It is also improving its review and reporting system to ensure that risks are identified early and that any losses are controlled.

As an infrastructure developer, cash flow and treasury management are two areas in which your Company places the most emphasis on flawless business continuity. Taking this into account, risk review and reporting also focus on cash flow and treasury-based risks on projects, sectors, and the business level using an integrated risk assessment approach.

**External Risks** - Risks emerging from changes in the external environment, such as:

1. Regulatory Risk due to changes in the Regulatory Framework
2. Interest Risk fluctuations in the value of interest rates in capital markets on outstanding project debts
3. Competition Risk as a result of existing and new entrants' strategies in the infrastructure development business
4. Political Risk due to a lack of stable administration, frequent changes to Development Plans and Projects, and a corresponding shift in the Government.
5. Environmental hazards (Acts of God), social upheaval, and other tragedies.



## Management Discussion & Analysis



### Mitigation Efforts:

AJRIL proactively detects and seeks to adjust to each meaningful 'change.' Your Company is well-versed in the regulatory environment in which it operates. It continues to develop strategies not just to survive but also to prosper due to its 'Early Warning Systems,' precise procedures, and Business Intelligence (BI) efforts. It is aware of its competitors and stays up to date on them to stay one step ahead. To prevent numerous external risks, it has a strong strategy targeted at the client, partner, vendor, and contract management. Though your Company cannot prevent a natural disaster, it is well-prepared with sufficient insurance coverage and Disaster Management and Recovery Plans to minimise losses and restore normalcy as soon as possible.

**Strategic Risks:** Risks involved with your Company's strategic decisions are as follows:

1. Market Risk (Sector, Geography) inappropriate evaluation of a sector or geography.
2. Secondary Acquisition Risk due to improper acquisitions done by your Company's Growth Plans.

3. Ventures and Alliances (Partnering) Risks associated with the improper selection of joint venture partners, offshore agents, and others.

4. Capital Risk as a result of inefficient capital allocation or use

### Mitigation Efforts:

Before commencing a secondary acquisition or entering a new geographical market or infrastructure sector, your Company conducts extensive study and analysis. This results in thoroughly comprehending the commercial potential and the current socio-political, regulatory, and economic environment. Before choices on implementation are made, these go through numerous levels of thorough conversations, evaluations, and sensitivity analysis.

The Risk Management Team undertakes periodic evaluations of systems, processes, and projects and offers management an unbiased opinion. The Audit Committee provides management with independent internal audit reports on procedures and Special Purpose Vehicles (SPV). The Internal Audit function examines every process inside the business from two



perspectives: one from a Risk-Based Internal Audit (RBIA) viewpoint and the other from a transactional control adequacy perspective. As a result, the Board, Management, and SPVs are kept up to speed on critical risks and mitigation strategies. Regardless of the degree of importance and relevance, all decisions inside the organisation require the explicit evaluation of risks and the application of suitable risk management approaches and tools. Hence, the Board of Directors/Committees constructs the governing framework for each risk category. This policy framework governs all corporate actions. The management is constantly improving the Risk Management framework.

In this respect, AJRINFRA is committed to continuously reviewing and strengthening its bid risk management framework, business continuity and disaster recovery planning framework, enterprise risk policy, and other policies. Your Company intends to develop its workers' risk-awareness culture through Risk Newsletters, frequent risk updates, case studies, and training programmes. It feels that these actions will better be equipped to face the problems that might come up at the 'Next Level' of Growth, which

will be authorised from time to time by the Board of Directors / Committees. The commercial operations are conducted within the context of this policy.

## Internal Control Systems

AJRIL's internal control framework is adequate, given the scope and scale of its operations. It is enough to prevent losses, unauthorised use, or the selling off of its assets. Internal financial controls are already in place and are periodically evaluated by the Board's Audit Committee, when appropriate and as required by the relevant regulations and rules, whether at the SPVs or elsewhere. Your Company maintains its books of accounts and reports financial statements by all applicable accounting standards. Every transaction is duly authorised, recorded, and reported to management.

## Safety Measures

We ensure that safety is maintained in all phases of project development- design, construction, commissioning, operations, and maintenance. At AJRITL, security is constantly assessed and given first importance.

The primary goals of safety management and assurance are to safeguard the environment, our operating employees, and the public. Our HR department tries to ensure that our corporate personnel and the workers at each project site have a safe workplace.

## Cautionary Statement

This Management Discussion and Analysis contain statements that may qualify as 'forward-looking statements' under applicable securities laws and regulations. Your Company cannot guarantee the accuracy of 'forward-looking statements' or warrant that it will realise them since they are based on assumptions and predictions of future events over which your Company has no control. Results could differ considerably from those stated or inferred. Essential variables that could significantly impact your Company's operations include domestic and global economic conditions affecting supply, demand, price conditions, and changes in Governmental rules, tax policies, and other laws.







# Directors' Report

To,  
The Shareholders of  
AJR INFRA AND TOLLING LIMITED  
(formerly Gammon Infrastructure Projects Limited)

Your Directors have pleasure in submitting their 21<sup>st</sup> Annual Report together with the Audited Financial Statements of the Company, for the financial year ended March 31, 2022 ("Financial Year").

## FINANCIAL HIGHLIGHTS

The financial highlights of the Company on stand-alone and consolidated basis for the Financial Year are as under:

(Rupees Lakhs)

Particulars	Standalone		Consolidated	
	Financial Year ended March 31, 2022	Financial Year ended March 31, 2021	Financial Year ended March 31, 2022	Financial Year ended March 31, 2021
Income	<b>2676.75</b>	4,224.09	<b>20,218.90</b>	25,379.70
Earnings before Interest, Tax, Depreciation and Amortization	<b>(55,621.82)</b>	3,762.36	<b>8,250.74</b>	9,854.27
Financial Costs	<b>6.94</b>	395.91	<b>26,131.94</b>	25,545.90
Depreciation and Amortization	<b>5.23</b>	5.67	<b>7144.67</b>	8,892.67
Tax Expenses	<b>53.18</b>	2,736.08	<b>599.96</b>	3,125.84
Minority Interest & Share of Profit of Associates	<b>N.A.</b>	N. A.	<b>(3,409.36)</b>	(4,337.92)
Net Profit after Tax / (Loss)	<b>(55,675.00)</b>	624.70	<b>(95,744.70)</b>	(27,667.96)

## DIVIDEND & RESERVES

The Board expressed its inability to recommend any dividend for the Financial Year in view of the liquidity constraints. Hence, no amount has been transferred to any reserve.

## COMPANY'S BUSINESS

Your Company, in consortium with Gammon Engineers And Contractors Private Limited ("GECPL"), is constructing a road project in the State of Odisha on Engineering, Procurement and Construction ("EPC") mode from National Highways Authority of India ("NHAI") under the EPC agreement dated 3<sup>rd</sup> January, 2019. Subsequent, to signing of Supplementary Agreement dated 29<sup>th</sup> January, 2020, the Appointed Date was declared as 11<sup>th</sup> February, 2020.

The Company has fully mobilized and commenced the construction works at project site. The Company has achieved 45% of financial progress as on 31<sup>st</sup> March 2022.

In addition to the above, the Company has 4 (four) projects in the Road Sector, 2 (two) in the Port Sector, 4 (four) in the Power Sector and 1 (one) project in real estate sector, which are at various stages of construction, under development and / or operation & maintenance through project specific Special Purpose Vehicles ("SPVs").

Out of the 4 (four) road projects and 4 (four) power projects, 2 (two) operational projects in road sector viz., Patna Highway Projects Limited ('PHPL') & Rajahmundry Godavari Bridge Limited ('RGBL') and 1 (one) project under development in power sector viz., Sikkim Hydro Power Ventures Limited ('SHPVL') were admitted to Corporate

## Directors' Report

Insolvency Resolution Process ("CIRP") under the provisions of the Insolvency And Bankruptcy Code, 2016 ("IBC") by the National Company Law Tribunal ("NCLT") during the FY 2019–20.

Out of the afore-mentioned projects under CIRP:

- in the matter related to SHPVL, the Hon'ble NCLT had vide order dated 3rd June, 2022 terminated the CIRP proceedings and allowed ex-management to take up the management of SHPVL. Consequently, the Board of Directors of SHPVL has taken up the management of SHPVL. The Board of Directors of the Company at its meeting held on 1st September, 2022 approved the Share Purchase Agreement ('SPA') to be executed between the Company, SHPVL and Statkraft IH Holding AS having office in Oslo, Norway for sale and transfer of the 100% equity shareholding held by the Company in SHPVL to Statkraft for a total consideration of Rs.90 Crores (including repayment of the liabilities of SHPVL);
- in the matter related to PHPL, Hon'ble NCLT had vide its order dated 10th May, 2022 dismissed the Company's application filed under Section 60(5) of Insolvency And Bankruptcy Code, 2016. The Company has filed an appeal with the National Company Law Appellate Tribunal, New Delhi Bench against the said order passed by the Hon'ble NCLT and
- in the matter related to RGBL, the Hon'ble NCLT had vide its order dated 10th August, 2022, dismissed the Company's interlocutory application filed under Section 12A of Insolvency And Bankruptcy Code, 2016. The Company has filed an appeal with the National Company Law Appellate Tribunal, Mumbai Bench against the said order passed by the Hon'ble NCLT.

Ras Cities And Townships Private Limited, a wholly-owned subsidiary ('RCTPL') of Gammon Projects Developers Limited, a wholly-owned subsidiary of the Company entered into a Memorandum of Understanding dated 13th May, 2022 with the promoters of Sony Mony Developers Private Limited ('SMDPL') for acquiring 10,000 equity shares of Rs.10/- each of SMDPL being 100% of total paid-up capital of SMDPL. The said transfer of 10,000 equity shares of SMDPL to RCTPL was completed on 9th June, 2022.

SMDPL is in the business of acquiring property, real estate by way of purchase, lease or otherwise and to develop property, real estate and to turn to account such property, real estate by way of sale, lease, renting out or otherwise.

### THE FUTURE

Most players in the infrastructure industry including your Company continue to face a severe resource crunch over the last few years. There is a sizable gap between the Company's internal accruals and the requirement of funds for capital investment in the existing and new projects and revenue expenditure. The Company has also been affected due to adverse market conditions and the adverse impact of COVID-19 pandemic on the economies and businesses worldwide including India. However, to ease the present situation, the Company is actively taking steps for realization of its receivables from the NHAI and other public sector authorities. Further, upon resolution of certain contractual obligations on few of the delayed projects, release of resources stalled thereof will bring back the Company into mainstream.

The Company is taking all the necessary steps to make optimum use of all the available resources at the discretion of the Company to get "almost ready" projects commissioned at the earliest and operate the projects successfully.

### SHARE CAPITAL OF THE COMPANY

There has been no change in the share capital of the Company during the Financial Year. The paid up share capital of the Company stood at Rs. 188.36 Crores as at 31st March, 2022 comprising of 941,830,724 equity shares of Rs. 2/- each fully paid up.

### INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Your Company's internal control systems with reference to Financial Statements commensurate with the nature and size of its business operations. Your Company has maintained a proper and adequate system of internal controls. This ensures that all Assets are safeguarded and protected against loss from unauthorized use or disposition and that the transactions are authorised, recorded and reported diligently. The Management continuously reviews the internal control systems and

## Directors' Report

procedures for the efficient conduct of the Company's business.

### INTERNAL AUDIT

Consequent to resignation of M/s. Nitin H Rajda & Co., Chartered Accountants as the internal auditors of the Company w.e.f. 13th November, 2021, the Board of Directors of the Company at its meeting held on 13th November, 2021, appointed M/s. Bagaria & Co. LLP, Chartered Accountants, Mumbai as the internal auditors of the Company.

The Internal Auditors monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliances with operating systems, accounting procedures and policies and reports the same on quarterly basis to the Audit Committee.

### DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013, your Directors, based on the representations received from the operating management, and after due enquiry, confirm that:

- a. in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b. they have 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 losses of the Company for the period;
- c. they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. they have prepared the annual accounts on a going concern basis;
- e. they have laid down adequate internal financial controls to be followed by the Company and such internal financial controls operated effectively during the Financial Year; and
- f. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

#### Board of Directors

Mr. Subhrarabinda Birabar has been appointed as additional director w.e.f. 26th November, 2022 in the category of Non-Executive Non-Independent Director.

Mr. Mineel Mali has been re-appointed as a Whole-Time Director of the Company for a period of three years with effect from 1st April, 2022 and the shareholders of the Company at its Extraordinary General Meeting held on 28th April, 2022 approved his re-appointment.

Mr. Chayan Bhattacharjee and Mr. Jaysingh Ashar, Non-Executive Directors of the Company resigned w.e.f. 26th July 2022 and 26th November, 2022 respectively. Mr. Bhattacharjee also served as a Whole-Time Director of the Company w.e.f. 15th November, 2019 to 31st March, 2021.

The Board took on record its appreciation for the valuable services rendered by Mr. Jaysingh Ashar during his tenure as a Non-Executive Director and Mr. Chayan Bhattacharjee during his tenure as a Non-Executive Director as well as Whole-Time Director of the Company.

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Mineel Mali is liable to retire by rotation at the ensuing Annual General Meeting and has offered himself for re-appointment.

Independent Directors of the Company have furnished necessary declarations to the Company under Section 149(7) of the Companies Act, 2013, confirming that they meet with the criteria of Independence as prescribed for Independent Directors under Section 149(6) of the Act and Regulation 16(b) of the Securities And Exchange Board of India (Listing Obligations & Disclosures Requirements) Regulations, 2015, (hereinafter "SEBI Listing Regulations").



## Directors' Report

### Key Managerial Personnel

Mr. Mineel Mali has been re-appointed as a Whole-Time Director of the Company for a period of three years with effect from 1st April, 2022 and the shareholders of the Company at its Extraordinary General Meeting held on 28th April, 2022 approved his re-appointment.

In terms of the provisions of Section 203 of the Companies Act, 2013, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Mr. Mineel Mali, Whole-Time Director; Mr. Vinay Sharma, Chief Financial Officer and Mr. Kaushal Shah, Company Secretary and Compliance Officer are the Key Managerial Personnel of the Company.

### Remuneration Policy and Board Evaluation

In compliance with the provisions of the Companies Act, 2013 and Regulation 19 of the SEBI Listing Regulations, the Board of Directors on the recommendation of the Nomination & Remuneration Committee, adopted a Policy on remuneration of Directors and Senior Management. The Remuneration Policy is stated in the Corporate Governance Report.

Performance evaluation of the Board was carried out during the Financial Year. The details about the same are given in the Corporate Governance Report.

### Familiarisation programmes for the Independent Directors

The details about the familiarization programmes for the Independent Directors is given in the Corporate Governance Report.

### BOARD MEETINGS

The Board met ten times during the Financial Year, the details of which are given in the Corporate Governance Report. The intervening gap between the two consecutive meetings was within the period prescribed under the Companies Act, 2013 and SEBI Listing Regulations.

### EMPLOYEE STOCK OPTION SCHEME

During the Financial Year, the Board has not granted any options to employees under the 'GIPL Employee Stock Options Scheme - 2013' ('Scheme'). Details of the shares issued under the Scheme, as also the disclosures in compliance with SEBI (Share Based

Employee Benefits) Regulations, 2014 are set out in Annexure I to this Report.

A certificate from the Statutory Auditors of the Company as required under Regulation 13 of SEBI (Share Based Employee Benefits) Regulations, 2014 shall be placed for inspection by the members on request by email.

### DEPOSITS

During the Financial Year, the Company has not accepted any deposits within the meaning of Section 73 and 76 of the Act, read with Companies (Acceptance of Deposits) Rules, 2014.

### PARTICULARS OF LOANS, GUARANTEES, INVESTMENTS AND SECURITIES

The details of loans, guarantee or investment under Section 186 of the Companies Act, 2013 are given under Notes to Accounts of financial statements.

### CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All related party transactions entered by the Company during the financial year were in the ordinary course of business and on arm's length basis. Details of material related party transactions are given in the prescribed Form AOC - 2 which is appended to this report as Annexure II.

The policy on Materiality of Related Party Transactions as approved by the Board is uploaded on the Company's website and can be accessed at the Web link

[https://ajrinfra.in/sec\\_info\\_pdf/PolicyonRelatedPartyTransactions2021.pdf](https://ajrinfra.in/sec_info_pdf/PolicyonRelatedPartyTransactions2021.pdf)

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

In view of the nature of business activities currently being carried out by the Company, your Directors have nothing to report with respect to Conservation of Energy and Technology Absorption as required under Section 134(3)(m) read with Rule 8 of the Companies (Accounts) Rules, 2014.

Foreign exchange outgo (actual outflows): Nil

## Directors' Report

Foreign exchange earned (actual inflows): Nil

### SUBSIDIARY, JOINT VENTURE AND ASSOCIATE COMPANIES

The list of subsidiaries, joint ventures and associate companies of the Company are given in Form MGT-9 annexed to this Report.

Vizag Seaport Private Limited (**'VSPL'**), an associate of the Company offers its customers the berthing & handling facilities up to Baby Cape Size Vessels arriving with a draft of -14.5 m. While the commercial operations commenced in July 2004, VSPL has been handling about 7 MTPA at present. On 17th November, 2021, the Company had completed sale of 2,87,73,117 equity shares of Rs.10/- each (33.00% of the total paid-up capital of VSPL) held by the Company in VSPL to Shripriya Ports Private Limited at a consideration of Rs.26.40 Crores. Consequent to the aforesaid sale VSPL ceased to be a subsidiary of the Company.

Indira Container Terminal Private Limited (**'ICTPL'**), a subsidiary of the Company is a Special Purpose Vehicle promoted by the Company, Gammon India Limited and Noatum Ports Sociedad Limitada Unipersonal SLU, formerly known as Dragados SPL, Spain for construction and development of an Offshore Container Terminal on build, operate and transfer (BOT) basis in the Mumbai Harbor and to carry out container operations from the existing Ballard Pier Station Container Terminal (BPS) of Mumbai Port Trust. During the Financial Year 2021-22, ICTPL had handled 103 RORO vessels, 17 Steel vessels and 1 Passenger vessel with 120,008 vehicle units earning revenue of Rs.48.27 Crores.

Sidhi Singrauli Road Project Limited (**'SSRPL'**), a wholly-owned subsidiary of the Company for designing, construction, finance and maintenance of a 102.6 kms long, four-lane dual carriageway on NH-75E, which includes the construction of new bypasses of Kauchwahi, Behri, Karthua, Bargawa and Gorbi and re-alignment of certain stretches and is located in the State of Madhya Pradesh. SSRPL was facing various issues like land acquisition, Forest and Environmental Clearances, approval to GADs etc. since start of the project. The construction activity was halted due to lack of finance since October, 2018. The Company had attempted to obtain finance to complete the SSRPL Project despite of minimal support from Madhya

Pradesh Road Development Corporation (**'MPRDC'**) in resolving various issues aroused due to non-fulfilment of MPRDC's Conditions Precedent. Ultimately, the MPRDC had terminated the SSRPL Project on 13th August, 2020. SSRPL received a letter from Punjab National Bank, Lead Bank (**'PNB'**) of the consortium of banks for the one-time settlement (**'OTS'**) of the debts of SSRPL at Rs.275 Crores. SSRPL is pursuing arbitration proceedings against MPRDC and Ministry of Road Transport and Highways in order to determine the party liable for settlement of the afore-mentioned OTS with the PNB.

Patna Highway Projects Limited, a wholly-owned material subsidiary of the Company has been admitted for Corporate Insolvency Resolution Process by Hon'ble National Company Law Tribunal, New Delhi Principal Bench under section 9 of Insolvency And Bankruptcy Code 2016 (**'IBC'**). The Hon'ble NCLT had vide order dated 10th May, 2022 dismissed the Company's application filed under Section 60(5) of Insolvency And Bankruptcy Code, 2016. The Company has filed an appeal in National Company Law Appellate Tribunal, New Delhi Bench against the said order passed by the Hon'ble NCLT.

Rajahmundry Godavari Bridge Limited, a subsidiary of the Company, had been admitted for Corporate Insolvency Resolution Process by Hon'ble National Company Law Tribunal, Mumbai Bench under section 7 of IBC. The Hon'ble NCLT has vide its order dated 10th August, 2022 dismissed the Company's interlocutory application filed under Section 12A of Insolvency And Bankruptcy Code, 2016. The Company has filed an appeal against the said order passed by the Hon'ble NCLT.

Sikkim Hydro Power Ventures Limited, a wholly-owned material subsidiary of the Company had been admitted for Corporate Insolvency Resolution Process by Hon'ble National Company Law Tribunal, New Delhi Principal Bench under section 9 of IBC. The Hon'ble NCLT had vide order dated 3rd June, 2022 terminated the Corporate Insolvency Resolution Process and allowed ex-management to take up the management of SHPVL. Consequently, the Board of Directors of SHPVL has taken up the management of SHPVL. The Board of Directors of the Company at its meeting held on 1st September, 2022 approved the Share Purchase Agreement to be executed between

## Directors' Report

the Company, SHPVL and Statkraft IH Holding AS having office in Oslo, Norway for sale and transfer of the 100% equity shareholding held by the Company in SHPVL to Statkraft for a total consideration of Rs.90 Crores (including repayment of the liabilities of SHPVL).

Ras Cities And Townships Private Limited, a wholly-owned subsidiary ('RCTPL') of Gammon Projects Developers Limited, a wholly-owned subsidiary of the Company entered into a Memorandum of Understanding dated 13th May, 2022 with the promoters of Sony Mony Developers Private Limited ('SMDPL') for acquiring 10,000 equity shares of Rs.10/- each of SMDPL being 100% of total paid-up capital of SMDPL. The said transfer of 10,000 equity shares of SMDPL to RCTPL was completed on 9th June, 2022.

### BOARD COMMITTEES

At present, the Board has the following committees to assist in its work:

- (i) Audit Committee to, inter-alia, oversee and review the financial reporting system and disclosures made in its financial results;
- (ii) Stakeholders' Relationship Committee to, inter-alia, redress investor complaints;
- (iii) Nomination & Remuneration Committee to, inter-alia, approve appointments and remuneration of executive directors and lay down nomination and remuneration policies of the Company;
- (iv) Compensation Committee to administer 'employee stock option schemes';
- (v) Business Review Committee to review business, projects and opportunities that arise from time to time;
- (vi) Corporate Social Responsibility Committee to formulate and implement a 'corporate social responsibility policy' for the Company and
- (vii) Risk Management Committee to monitor and review the risk management plan of the Company.

The constitution of various committees, its powers, duties and meetings have been elaborated in detail in the 'Corporate Governance Report'.

### TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND

Your Company does not have any amount / shares due to be transferred to Investor Education and Protection Fund.

### VIGIL MECHANISM / WHISTLE BLOWER

In terms of section 177(9) & (10) of the Companies Act, 2013, a Vigil Mechanism for Directors and employees to report genuine concerns has been established by the Board along with whistle blower policy. The whistle blower policy have been uploaded on the website of the Company and the same can be accessed at the web link [https://ajrinfra.in/sec\\_info\\_pdf/Whistle\\_Blower\\_Policy.pdf](https://ajrinfra.in/sec_info_pdf/Whistle_Blower_Policy.pdf)

### CORPORATE SOCIAL RESPONSIBILITY (CSR)

Since there is no average net profit for the Company for the previous three financial years, no specific funds are required to be set aside and spent towards the Corporate Social Responsibility of the Company during the Financial Year. The Company is yet to formulate the CSR Policy.

### EXTRACT OF ANNUAL RETURN

In accordance with the Companies Act, 2013, an extract of Annual Return in Form MGT 9 is appended to this Report as Annexure III.

### REPORT ON CORPORATE GOVERNANCE

In terms of Regulation 34 of the SEBI Listing Regulations, a Report on Corporate Governance along with Compliance Certificate issued by Mr. Veeraraghavan. N, Practicing Company Secretary (Certificate of Practice Number 4334) is attached and forms integral part of this Report (herein referred to "Corporate Governance Report").

### MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Attention of the members is invited to a separate section titled 'Management Discussion and Analysis Report' which is covered in this Annual Report.

### SECRETARIAL STANDARDS

The Company complies with all applicable Secretarial Standards.



## Directors' Report

### REPORTING OF FRAUDS BY AUDITORS

During the Financial Year, neither the statutory auditors nor the secretarial auditor has reported to the Audit Committee, under Section 143 (12) of the Companies Act, 2013, any instances of fraud committed against the Company by its officers or employees, the details of which would need to be mentioned in the Board's report.

### STATUTORY AUDITORS

M/s. Nayan Parikh & Co., Chartered Accountants (FRN: 107023W), the Statutory Auditors of the Company, holds office until the conclusion of the 21st Annual General Meeting ("AGM").

Based on the recommendations of the Audit Committee, the Board of Directors has recommended appointment of M/s. Natvarlal Vepari & Co., Chartered Accountants (FRN 106971W) as the Statutory Auditors of the Company. The Company has received a certificate under Section 141(3) of the Companies Act, 2013 read with Rule 10 of the Companies (Audit and Auditors) Rules, 2014 from M/s. Natvarlal Vepari & Co., confirming their eligibility and availability for appointment as the Statutory Auditors of the Company.

The Board recommends appointment of M/s. Natvarlal Vepari & Co., Chartered Accountants as the Statutory Auditors at the upcoming 21st AGM of the Company.

### STATUTORY AUDITORS' REPORT

The Statutory Auditors have qualified their opinion in their Independent Auditors Report as follows:

#### Basis of Qualified Opinion

(a) Attention is invited to Note 28 (a) of the Financial Statement, relating to the Project in the SPV; Indira Container Terminal Pvt Ltd. There exists material uncertainty relating to the future of the Project where the exposure of the Company in the SPV/project is Rs. 13,304.46 lacs (funded and non-funded). The draft settlement agreement between the SPV, Ministry of Shipping (MoS), Mumbai Port Trust (MbPT) has been rejected by MbPT. The Company and the SPV are in discussion with MbPT and MoS to reconsider the Project. The credit facility is marked as NPA by the Lenders. The SPV and MbPT have initiated arbitration proceedings which are in progress. The MbPT has requested for conciliation proceedings which are

also under active discussions. Pending conclusion of matters of material uncertainty related to the Project and decision of the OTS by the lenders not being concluded, we are unable to comment whether any provision is required towards possible impairment towards the said exposure.

(b) Attention is invited to Note 31(a) of the Financial Statement in respect of PHPL where the CIRP proceedings had been initiated. NCLT has approved the resolution plan submitted by Resolution Professional and as per the NCLT Order no surplus is available to the Company. The Company has filed an appeal in NCLAT against the NCLT order and expects favourable outcome on the matter.

Pending the outcome, no impairment has been done by the Management against the funded exposure. On accounts of the facts stated above, there is possible impairment towards the exposure of the company in the SPV of Rs. 21,294.19 lacs disclosed as Equity Instruments carried at fair value through Profit and Loss (excluding non-funded exposure of Rs. 1,19,024.39 lacs disclosed as contingent liability) unless the Management receives a favourable order in its appeal before the NCLAT.

(c) Attention is invited to Note 31(b) of the Financial Statement in respect of RGBL where the CIRP proceedings had been initiated. NCLT has since the balance Sheet date approved the resolution plan submitted by Resolution Professional and as per the NCLT Order no surplus is available to the Company.

The Company is proposing to file an appeal before NCLAT against the NCLT order and expects favourable outcome on the matter. Pending the outcome, no impairment has been done by the Management against the possible impairment. On accounts of facts stated above, possible impairment towards the exposure of the company in SPV is Rs. 1,08,190.68 lacs disclosed as Equity Instruments carried at fair value through Profit and Loss (excluding non-funded exposure of Rs. 9,811.02 lacs disclosed as contingent liabilities) unless the Management receives a favourable order in its proposed appeal being filed before the NCLAT.

(d) Attention is invited to Note 28 (f) of the Financial Statement, relating to power project where the operation of the project is under constraints as detailed in the note. The SPV has also invoked the

## Directors' Report

arbitration against the Karkhana and the Karkhana has approached Debt Recovery Tribunal (DRT). Based on the submission of Karkhana that the Plant was possessed and run by Karkhana, the tribunal ordered to maintain status quo. The Company is in the process of filing its response at DRT. Also, the SPV's credit facilities are marked as Non-Performing Assets. Pending the outcome of the legal proceedings and in the absence of resolution of financial and operational constraint under the project, we are unable to comment whether any provision is required towards possible impairment towards the exposure of the project. The audit of the SPV for the year ended March 31, 2022 is also not completed. Total funded and non-funded exposure of the Company in the SPV is Rs. 29,677.58 lacs.

Clarification for the afore-mentioned qualified opinions by the Statutory Auditors in their Report are provided in detail in Operational Overview of Management & Discussion Analysis forming part of the Annual Report of the Company.

### SECRETARIAL AUDIT REPORT

Pursuant to the provisions of Section 204 of the Companies Act, 2013, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of SEBI Listing Regulations, Mr. Veeraraghavan. N, Practicing Company Secretary (Certificate of Practice Number: 4334) was appointed to undertake the Secretarial Audit of the Company.

In terms of Regulation 24A of SEBI Listing Regulations and provisions of Section 204 of the Companies Act, 2013 the Secretarial Audit Report in Form no. MR-3 has been annexed to this Board Report as Annexure IV.

Observations made by the Secretarial Auditor in their Report are self-explanatory.

### PARTICULARS OF EMPLOYEES

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are annexed to this Report.

During the Financial Year, none of the employees are in receipt of remuneration which is in excess of the limits as specified in Rules 5(2) and 5(3) of the Companies

(Appointment & Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time.

### INFORMATION UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Board had re-constituted Internal Complaints Committee ('Committee') under Section 4 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 w. e. f. 28th February, 2022 and the Committee comprised of Ms. Vaishali Indulkar as the Chairperson of the Committee and Mr. Ravindra Desai, Mr. S. Lakshmayyah and Advocate Ms. Madhavi Vasant Joshi as members of the Committee.

Consequent to change in personnel of the Company and its subsidiaries, the Board had re-constituted Committee w.e.f. 1st September, 2022. The Committee now comprises of Ms. Charushila Choche as Chairperson, Mr. Ravindra Desai, Mr. S. Lakshmayyah and Ms. Akansha Rathi, Company Secretary in Practice and Insolvency Professional as the members of the Committee.

During the Financial Year, no complaint was filed before the Internal Complaints Committee.

### MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY BETWEEN THE END OF THE FINANCIAL YEAR AND THE DATE OF THE REPORT

On 20th May, 2022, the Company had entered into a Settlement Agreement with BIF India Holdings Pte. Limited ('Brookfield'), Andhra Expressway Private Limited, Rajahmundry Expressway Private Limited, Kosi Bridge Infrastructure Company Private Limited, Gorakhpur Infrastructure Company Private Limited and Mumbai Nasik Expressway Private Limited (collectively referred to as 'Divested SPVs') to settle the claims made by Brookfield and the Divested SPVs against the Company in arbitration proceedings before the Singapore International Arbitration Centre. As per the terms of the Settlement Agreement, the Company shall pay to Brookfield and the Divested SPVs an aggregate sum of:

## Directors' Report

- (i) Rs.40 Crores (together with interest payable till date); and
- (ii) the amounts comprising the subject matter of the Divested SPV's claims in the SIAC Arbitration (subject to refund of tax adjusted) on account of demands from the Tax Authorities, which as on 8th February 2021 were Rs.28.96 Crores;

On 20th May, 2022, the Company had entered into an Assignment Agreement in order to meet its obligations for the payment of the Settlement Sum by the Company to Brookfield and the Divested SPVs and assigned its rights, title, benefits and interest arising out of:

- (a) The Company's entitlement to MNEL Receivables; and
- (b) The Company's entitlement to the proceeds receivable by GICL and KBICL respectively from the GICL Arbitration Proceedings and KBICL Proceedings respectively;

On 2nd September, 2022, the Company entered into a Share Purchase Agreement with Sikkim Hydro Power Ventures Limited, material wholly-owned subsidiary and M/s. Statkraft IH Holding AS having office in Oslo, Norway for sale and transfer of sale of 6,27,35,942 equity shares of Rs.10/- each held by the Company to Statkraft for a total consideration of Rs.90 Crores (including repayment of the liabilities of SHPVL). Upon completion of the formalities comprised under Share Purchase Agreement, the Company shall cease to be a shareholder of SHPVL.

### SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS / COURTS / TRIBUNALS

Patna Highway Projects Limited, a wholly-owned material subsidiary of the Company has been admitted for Corporate Insolvency Resolution Process by Hon'ble National Company Law Tribunal, New Delhi Principal Bench under section 9 of Insolvency And Bankruptcy Code 2016 ('IBC'). The Hon'ble NCLT had vide order dated 10th May, 2022 dismissed the Company's application filed under Section 60(5) of Insolvency And Bankruptcy

Code, 2016. The Company has filed an appeal in National Company Law Appellate Tribunal, New Delhi Bench against the said order passed by the Hon'ble NCLT.

Rajahmundry Godavari Bridge Limited, a subsidiary of the Company, had been admitted for Corporate Insolvency Resolution Process by Hon'ble National Company Law Tribunal, Mumbai Bench under section 7 of IBC. The Hon'ble NCLT has vide its order dated 10th August, 2022 dismissed the Company's interlocutory application filed under Section 12A of Insolvency And Bankruptcy Code, 2016. The Company has filed an appeal against the said order passed by the Hon'ble NCLT.

No other significant or material orders were passed by the Regulators or Courts or Tribunals which impacts the going concern status and Company's operations in future.

### ACKNOWLEDGEMENTS

The Board wishes to place on record their appreciation for the support received by the Company from its shareholders and employees. The Directors also wish to acknowledge the co-operation and assistance received by the Company from its business partners, bankers, financial institutions and various Governments, Semi Government and Local Authorities.

For and on behalf of the Board of,  
**AJR INFRA AND TOLLING LIMITED**

(formerly Gammon Infrastructure Projects Limited)

**Mineel Mali**

Whole-Time Director

DIN: 06641595

**Jaysingh Ashar**

Director

DIN: 07015068

Place: Mumbai

Date: 26th November, 2022



## Directors' Report

### Annexure I

#### EMPLOYEES STOCK OPTIONS (OPTIONS)

Disclosures in compliance with the SEBI (Share Based Employee Benefits) Regulations, 2014 read with erstwhile SEBI (Employees Stock Option Scheme and Employees Stock Purchase Scheme) Guidelines, 1999:

#### (A) GIPL Employee Stock Options Scheme – 2013:

Financial Year	01.04.2021 to 31.03.2022	01.04.2020 to 31.03.2021		
1 Options granted / subsisting	60,000	60,000		
2 Pricing Formula / Exercise Price (Rs.)	Rs. 2.00/-	Rs. 2.00/-		
3 Options vested	Nil	Nil		
4 Options exercised	Nil	Nil		
5 Total number of Equity Shares arising as a result of exercise of Options	Nil	Nil		
6 Options lapsed /cancelled	Nil	Nil		
7 Variation of terms of Options	None	None		
8 Money realised by exercise of Options	Nil	Nil		
9 Total number of options in force	60,000	60,000		
10 Weighted average exercise price (Rs.)	Rs. 2.00/-	Rs. 2.00/-		
11 Weighted average fair value of Options granted during the year (Rs.)	4.592/- (Options vested on October 1, 2014)	4.745/- (Options vested on October 1, 2015)		
		4.896/- (Options to be vested on October 1, 2016)		
		5.041/- (Options to be vested on October 1, 2017)		
12 Option pricing model used and underlying assumptions	Black-Scholes Option Pricing Model			
Equity Share Price (Rs.)	Rs. 6.40/-			
Exercise Price (Rs.)	Rs. 2.00/-			
Assumptions	Options vesting on 01.10.2014	Options vesting on 01.10.2015	Options vesting on 01.10.2016	Options vesting on 01.10.2017
Expected Volatility (in %)	39.31	44.25	42.29	41.78
Weighted average of unexpired life of Options (in years)	1.02	2.02	3.02	4.02
Expected dividend	Nil	Nil	Nil	Nil
Risk Free Interest Rate (%)	9.86	9.02	8.96	9.03

## Directors' Report

13	Employee-wise details of Options granted	Senior managerial personnel (key managerial personnel Mr. Kaushik Chaudhuri – 2,40,000 (3.89% of total options granted)  Other Employees  No employee has been granted Options exceeding 1% of the issued capital of the Company.
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### (B) DILUTED EARNINGS PER SHARE (AT THE FACE VALUE OF RS. 2/-)

Financial Year	01.04.2021 to 31.03.2022	01.04.2020 to 31.03.2021
Diluted earnings per share pursuant to issue of Equity Shares on exercise of option calculated in accordance with Accounting Standard (AS – 20)	(5.91)	(0.07)

### (C) DETAILS OF IMPACT ON EARNINGS PER SHARE IF THE COMPANY HAD FOLLOWED FAIR VALUE METHOD OF VALUATION FOR OPTIONS GRANTED.

Financial Year	01.04.2021 to 31.03.2022	01.04.2020 to 31.03.2021
Difference between the employee compensation cost calculated by the Company at intrinsic value and fair value of Options and its impact on profits and earnings per share	<b>Net loss of Rs55675.00 lakhs and EPS of (Rs.5.91) would remain unchanged</b>	NPAFT of (624.70) lakhs and EPS of (Rs.0.07) would remain unchanged

For and on behalf of the Board of,

**AJR INFRA AND TOLLING LIMITED**

(formerly Gammon Infrastructure Projects Limited)

**Mineel Mali**  
Whole-Time Director  
DIN-06641595

**Jaysingh Ashar**  
Director  
DIN: 07015068

Place: Mumbai

Date: 26th November, 2022

# Directors' Report

## Annexure II

### FORM NO. AOC -2

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

Form for Disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms' length transaction under third proviso thereto.

#### 1. Details of contracts or arrangements or transactions not at Arms' length basis

There were no contracts or arrangements or transactions entered into during the year ended 31st March, 2022, which were not at arms' length basis.

#### 2. Details of contracts or arrangements or transactions at Arms' length basis – NIL

Sr. No.	Name(s) of the related party & nature of relationship	Nature of transaction	Transaction Value (Rs.in Lakhs)	Duration of the transaction	Salient terms of the transaction including the value, if any	Date of approval by the Board	Amount received as advances, if any (Rs.in lakhs)

For and on behalf of the Board of,

**AJR INFRA AND TOLLING LIMITED**

(formerly Gammon Infrastructure Projects Limited)

**Mineel Mali**  
Whole-Time Director  
DIN-06641595

**Jaysingh Ashar**  
Director  
DIN: 07015068

Place: Mumbai  
Date: 26th November, 2022



# Directors' Report

## Annexure III

### FORM NO. MGT 9

#### EXTRACT OF ANNUAL RETURN

As on financial year ended 31/03/2022

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

#### I. REGISTRATION & OTHER DETAILS:

1.	CIN	L45203MH2001PLC131728
2.	Registration Date	23rd April 2001
3.	Name of the Company	AJR INFRA AND TOLLING LIMITED (formerly Gammon Infrastructure Projects Limited)
4.	Category/Sub-category of the Company	Company Limited by Shares / Indian Non-Government Company
5.	Address of the Registered office & contact details	3rd Floor, 3/8, Hamilton House, J. N. Heredia Marg, Ballard Estate, Mumbai – 400 038 Tel: 02267487200 Fax: 02267487201
6.	Whether listed company	Yes
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Link Intime India Private Limited C – 101, 247 Park, L B S Marg, Vikhroli West, Mumbai – 400083 Tel: 022 – 49186000, Fax: 022 – 49186060

#### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sr. 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 motorways, streets, roads, other vehicular and pedestrian ways, highways, bridges, tunnels and subways	42101	Nil

#### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and Address of the Company	CIN/GLN	Holding / Subsidiary/ Associate	% of shares held	Applicable Section
1	Birmitrapur Barkote Highway Private Limited	U45200DL2012PTC234342	Subsidiary	100%	2(87) (ii)
2	Cochin Bridge Infrastructure Company Limited	U45200MH1999PLC122317	Subsidiary	97.66%	2(87) (ii)
3	Chitoor Infra Company Private Limited	U74990MH2010PTC210401	Step down Subsidiary	100%	2(87) (ii)
4	Earthlink Infrastructure Projects Private Limited	U74990MH2010PTC210405	Step down Subsidiary	100%	2(87) (ii)

## Directors' Report

Sr. No.	Name and Address of the Company	CIN/GLN	Holding / Subsidiary/ Associate	% of shares held	Applicable Section
5	Gammon Logistics Limited	U45309MH2007PLC171578	Subsidiary	100%	2(87) (ii)
6	Gammon Projects Developers Limited	U45200MH2006PLC159107	Subsidiary	100%	2(87) (ii)
7	Gammon Renewable Energy Infrastructure Projects Limited	U74990MH2009PLC194805	Subsidiary	100%	2(87) (ii)
8	Gammon Road Infrastructure Limited	U74990MH2009PLC194822	Subsidiary	100%	2(87) (ii)
9	Gammon Seaport Infrastructure Limited	U74990MH2009PLC194663	Subsidiary	100%	2(87) (ii)
10	Haryana Biomass Power Limited	U40102MH2007PLC173416	Subsidiary	100%	2(87) (ii)
11	Indira Container Terminal Private Limited	U63032MH2007PTC174100	Associate	*74.00%	2(87) (ii)
12	Marine Project Services Limited	U61100MH2007PLC168759	Subsidiary	100%	2(87) (ii)
13	\$ Patna Highway Projects Limited	U74999DL2009PLC197265	Subsidiary	100%	2(87) (ii)
14	Pravara Renewable Energy Limited	U45202MH2008PLC185428	Subsidiary	100%	2(87) (ii)
15	Ras Cities and Townships Private Limited	U70102TG2005PTC047148	Step down Subsidiary	100%	2(87) (ii)
16	\$ Rajahmundry Godavari Bridge Limited	U45203MH2008PLC185941	Subsidiary	*99.78%	2(87) (ii)
17	Segue Infrastructure Projects Private Limited	U74900MH2010PTC210430	Step down Subsidiary	100%	2(87) (ii)
18	Sidhi Singrauli Road Project Limited	U74999DL2012PLC234738	Subsidiary	100%	2(87) (ii)
19	\$\$ Sikkim Hydro Power Ventures Limited	U40100DL2005PLC257673	Subsidiary	100%	2(87) (ii)
20	Tada Infra Development Company Limited	U45400MH2008PLC186002	Subsidiary	100%	2(87) (ii)
21	Tidong Hydro Power Limited	U40101HP2007PLC030774	Subsidiary	**51%	2(87) (ii)
22	Vijayawada Gundugolanu Road Project Private Limited	U74990DL2012PTC232205	Subsidiary	100%	2(87) (ii)
23	Yamunanagar Panchkula Highway Private Limited	U74999DL2012PTC234340	Subsidiary	100%	2(87) (ii)
24	Youngthang Power Ventures Limited	U40101HP2008PLC030953	Subsidiary	100%	2(87) (ii)
25	Vizag Seaport Private Limited	U45203AP2001PTC038955	Associate	40.76%	2(6)
26	Modern Toll Roads Private Limited	U45203MH2007PTC173503	Associate	49%	2(6)
27	ATSL Infrastructure Projects Limited	U45400MH2007PLC169995	Associate	48.90%	2(6)
28	Elgan India Martrade Private Limited (formerly Eversun Sparkle Maritime Services Private Limited)	U60210AP2004PTC044374	Associate	30.90%	2(6)

\*includes legal and beneficial interest

\*\*beneficial interest

\$under Corporate Insolvency Resolution Proceedings (CIRP)

\$\$CIRP process terminated pursuant to order dated 3rd June, 2022 issued by National Company Law Tribunal

## Directors' Report

### 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. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/ HUF	0	0	0	0.00	0	0	0	0.00	0.00
b) Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
c) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
d) Bodies Corp.	193,999,800	0	193,999,800	20.60	193,999,800	0	193,999,800	20.60	0.00
e) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
f) Any other	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub-total (A) (1):-</b>	<b>193,999,800</b>	<b>0</b>	<b>193,999,800</b>	<b>20.60</b>	<b>193,999,800</b>	<b>0</b>	<b>193,999,800</b>	<b>20.60</b>	<b>0.00</b>
<b>(2) Foreign</b>									
a) NRIs - Individuals	0	0	0	0.00	0	0	0	0.00	0.00
b) Other - Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c) Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00
d) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
e) Any Other...	0	0	0	0.00	0	0	0	0.00	0.00
<b>Sub-total (A) (2):-</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
<b>Total shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	<b>193,999,800</b>	<b>0</b>	<b>193,999,800</b>	<b>20.60</b>	<b>193,999,800</b>	<b>0</b>	<b>193,999,800</b>	<b>20.60</b>	<b>0.00</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	0	0	0	0.00	0	0	0	0.00	0.00
b) Banks / FI	67,585,734	0	67,585,734	7.18	67,585,734	0	67,585,734	7.18	0.00
c) Central Govt	3,000	0	3,000	0.00	3,000	0	3,000	0.00	0.00
d) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
g) FIs	96,125,295	0	96,125,295	10.21	96,125,295	0	96,125,295	10.21	0.00
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
i) NBFCs registered with RBI	1,900	0	1,900	0.00	1,900	0	1,900	0.00	0.00
<b>Sub-total (B)(1):-</b>	<b>163,715,929</b>	<b>0</b>	<b>163,715,929</b>	<b>17.39</b>	<b>163,715,929</b>	<b>0</b>	<b>163,715,929</b>	<b>17.39</b>	<b>0.00</b>
<b>2. Non-Institutions</b>									
a) Bodies Corp.	111,260,168	0	111,260,168	11.81	86,097,849	0	86,097,849	9.14	-2.73
b) Individuals									
i) Individual shareholders holding nominal share capital up to Rs. 1 lakh	214,718,853	2,579	214,721,432	22.80	272,268,494	2,579	272,271,073	28.91	6.11



## Directors' Report

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	
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	218,422,377	0	218,422,377	23.19	189,635,204	0	189,635,204	20.13	-3.06
c) Others (specify)	-	-	-	-	-	-	-	-	-
Trusts	1,515	0	1,515	0.00	0	0	0	0.00	0.00
Foreign Nationals / NRI	18,216,848	0	18,216,848	1.93	1,37,29,803	0	13,729,803	1.46	-0.47
HUF	15,113,858	0	15,113,858	1.60	16,860,991	0	16,860,991	1.79	0.19
Director or Director's Relatives	57,288	0	57,288	0.01	59,260	0	59,260	0.01	0.00
Office Bearers	2,865,087	0	2,865,087	0.30	2,821,007	0	2,821,007	0.30	0.00
Clearing Members	3,456,398	24	3,456,422	0.37	2,639,784	24	2,639,808	0.28	-0.09
<b>Sub-total (B)(2):-</b>	<b>563,957,949</b>	<b>2,603</b>	<b>563,960,552</b>	<b>59.87</b>	<b>584,112,392</b>	<b>2,603</b>	<b>584,114,995</b>	<b>62.01</b>	<b>2.14</b>
<b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>	<b>747,828,321</b>	<b>2,603</b>	<b>747,830,924</b>	<b>79.40</b>	<b>747,828,321</b>	<b>2,603</b>	<b>747,830,924</b>	<b>79.40</b>	<b>0.00</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
<b>Grand Total (A+B+C)</b>	<b>941,828,121</b>	<b>2,603</b>	<b>941,830,724</b>	<b>100.00</b>	<b>941,828,121</b>	<b>2,603</b>	<b>941,830,724</b>	<b>100.00</b>	<b>0.00</b>

### ii) Shareholding of Promoter-

Sr. 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	Gammon Power Limited	193,999,800	20.60	20.60	193,999,800	20.60	20.60	Nil
	<b>Total</b>	<b>193,999,800</b>	<b>20.60</b>	<b>20.60</b>	<b>193,999,800</b>	<b>20.60</b>	<b>20.60</b>	<b>Nil</b>

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

Sr. No.	Particulars	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	Gammon Power Limited				
	At the beginning of the year	193,999,800	20.60	193,999,800	20.60
	Date wise Increase / Decrease in Shareholding during the year	0	0.00	0	0.00
	At the end of the year	193,999,800	20.60	193,999,800	20.60

## Directors' Report

### v) Shareholding Pattern of top ten Shareholders:

(Other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. No.	For Each of the Top 10 Shareholders	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	ICICI Bank Limited				
	At the beginning of the year	60,499,998	6.42	60,499,998	6.42
	Date wise Increase / Decrease in Shareholding during the year	0	0.00	0	0.00
	At the end of the year	60,499,998	6.42	60,499,998	6.42
2	Frontier Realty Private Limited				
	At the beginning of the year	43,570,931	4.63	43,570,931	4.63
	Date wise Increase / Decrease in Shareholding during the year	0	0.00	0	0.00
	At the end of the year	43,570,931	4.63	43,570,931	4.63
3	LGOF Global Opportunities Limited				
	At the beginning of the year	43,000,000	4.56	43,000,000	4.56
	Date wise Increase / Decrease in Shareholding during the year	0	0.00	0	0.00
	At the end of the year	43,000,000	4.56	43,000,000	4.56
4	Connecor Investment Enterprise Ltd				
	At the beginning of the year	42,900,000	4.55	42,900,000	4.55
	Date wise Increase / Decrease in Shareholding during the year	0	0.00	0	0.00
	At the end of the year	42,900,000	4.55	42,900,000	4.55
5	Spark Mall And Parking Private Limited				
	At the beginning of the year	14,698,970	1.56	14,698,970	1.56
	Date wise Increase / Decrease in Shareholding during the year	0	0.00	0	0.00
	At the end of the year	14,698,970	1.56	14,698,970	1.56

## Directors' Report

Sr. No.	For Each of the Top 10 Shareholders	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
6	Aviator Emerging Market Fund				
	At the beginning of the Year	10,225,294	1.08	10,225,294	1.08
	Date wise Increase / Decrease in shareholding during the year	0	0.00	0	0.00
	At the end of the Year	10,225,294	1.08	10,225,294	1.08
7	Consolidated Infrastructure Company Private Limited				
	At the beginning of the year	18,610,956	1.97	18,610,956	1.97
	Decrease – Market sale – 14-May-2021	1,000,000	0.10	17,610,956	1.87
	Decrease – Market sale – 21-May-2021	863,771	0.09	16,747,185	1.78
	Decrease – Market sale – 28-May-2021	2,236,229	0.24	14,510,956	1.54
	Decrease – Market sale – 04-June-2021	1,800,000	0.19	12,710,956	1.35
	Decrease – Market sale – 11-June-2021	600,000	0.07	12,110,956	1.28
	Decrease – Market sale – 18-June-2021	3,000,000	0.32	9,110,956	0.96
	Decrease – Market sale – 25-June-2021	1,500,000	0.16	7,610,956	0.80
	At the end of the year	7,610,956	0.80	7,610,956	0.80
8	Mr. Abhijit Rajan				
	At the beginning of the Year	6,000,000	0.63	6,000,000	0.63
	Date wise Increase / Decrease in shareholding during the year	0	0.00	0	0.00
	At the end of the Year	6,000,000	0.63	6,000,000	0.63
9	Central Bank Of India				
	At the beginning of the Year	4,410,567	0.46	4,410,567	0.46
	Date wise Increase / Decrease in shareholding during the year	0	0.00	0	0.00
	At the end of the Year	4,410,567	0.46	4,410,567	0.46
10	Ms. Smrutiben Shreyansbhai Shah				
	At the beginning of the Year	Nil	0.00	Nil	0.00
	Increase – Market purchase – 14-Jan-2022	2,137,216	0.23	2,137,216	0.23
	Increase – Market purchase – 28-Jan-2022	900,000	0.09	3,037,216	0.32
	Increase – Market purchase – 04-Feb-2022	481,333	0.05	3,518,549	0.37



## Directors' Report

Sr. No.	For Each of the Top 10 Shareholders	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
	Increase – Market purchase – 18-Feb-2022	796,869	0.09	4,315,418	0.46
	Increase – Market purchase – 25-Feb-2022	672,286	0.07	4,987,704	0.53
	Decrease – Market purchase – 11-Mar-2022	1,051,508	0.11	3,936,196	0.42
	Decrease – Market purchase – 25-Mar-2022	139,570	0.02	3,796,626	0.40
	Decrease – Market purchase – 31-Mar-2022	338,357	0.03	3,458,269	0.37
	At the end of the Year	3,458,269	0.37	3,458,269	0.37

### vi) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Shareholding of each Directors and each KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
<b>A)</b>	<b>Directors</b>				
1.	<b>Ms. Homai Daruwalla</b>				
	At the beginning of the year	541	0.00	541	0.00
	Date wise Increase / Decrease in Shareholding during the year	-	-	-	-
	At the end of the year	541	0.00	541	0.00
2.	<b>*Mr. Chayan Bhattacharjee</b>				
	At the beginning of the year	51,342	0.00	51,342	0.00
	Date wise Increase / Decrease in Shareholding during the year	-	-	-	-
	At the end of the year	51,342	0.00	51,342	0.00
3.	<b>**Mr. Jaysingh Ashar</b>				
	At the beginning of the year	5,405	0.00	5,405	0.00
	Date wise Increase / Decrease in Shareholding during the year	-	-	-	-
	At the end of the year	5,405	0.00	5,405	0.00
4.	<b>Mr. Mineel Mali</b>				
	At the beginning of the year	1,972	0.00	1,972	0.00
	Date wise Increase / Decrease in Shareholding during the year	-	-	-	-
	At the end of the year	1,972	0.00	1,972	0.00

\*Resigned as Non-Executive Director w.e.f. 26th July, 2022

\*\*Resigned as Non-Executive Director w.e.f. 26th November, 2022

Mr. Mahendra Kumar Agrawala, Mr. Vinod Sahai and Mr. Sunilbhai Chhabaria, Independent Directors do not hold equity shares of the Company.

Mr. Vinay Sharma, Chief Financial Officer and Mr. Kaushal Shah, Company Secretary do not hold equity shares of the Company.

## Directors' Report

### V. INDEBTEDNESS

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

(Amount in Lakhs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	2,027.69	1,22,230.24	—	2,027.69
ii) Interest due but not paid	—	374.49	—	—
iii) Interest accrued but not due	—	0.00	—	—
<b>Total (i+ii+iii)</b>	<b>2,027.69</b>	<b>1,22,604.73</b>	<b>—</b>	<b>2,027.69</b>
<b>Change in Indebtedness during the financial year</b>				
Addition	—	—	—	—
Reduction	2,027.69	2,067.10	—	4,094.79
Net Change	2,027.69	2,067.10	—	4,094.79
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	—	120537.42	—	1,20,537.42
ii) Interest due but not paid	—	0.21	—	0.21
iii) Interest accrued but not due	—	Nil	—	—
<b>Total (i+ii+iii)</b>	<b>—</b>	<b>120537.63</b>	<b>0</b>	<b>1,20,537.63</b>

### VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(Amount in Rs.)

Sr. No.	Particulars of Remuneration	Name of MD / WTD / Manager	Total Amount
		<b>Mr. Mineel Mali</b>	
		<b>(Whole-Time Director)</b>	
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961		-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		-
	(c) Profits in lieu of salary under section 17(3) Income Tax Act, 1961		-
2	Stock Option (Value of options)		-
3	Sweat Equity		-
4	Commission – as % of profit Commission – others, specify...		-
5	Others, please specify (Provident Fund)		-
	<b>Total (A)</b>		
	Ceiling as per the Act		

## Directors' Report

### B. Remuneration to other directors:

(Amount in Rs.)

Sr. No.	Particulars of Remuneration	Name of the Directors		
1	Non-Executive Directors	Ms. Homai Daruwalla	Mr. Mahendra Kumar Agrawala	Mr. Jaysingh Ashar
	Fee for attending board / committee meetings	850,000	900,000	600,000
	Commission	0	0	0
	Others	0	0	0
	<b>Total (1)</b>	<b>850,000</b>	<b>900,000</b>	<b>600,000</b>

Sr. No.	Particulars of Remuneration	Name of the Directors			Total
1	Non-Executive Directors	Mr. Chayan Bhattacharjee	Mr. Vinod Sahai	Mr. Sunilbhai Chhabaria	
	Fee for attending board / committee meetings	450,000	800,000	600,000	<b>450,000</b>
	Commission	0	0	0	<b>0</b>
	Others	0	0	0	<b>0</b>
	Total (1)	450,000	800,000	600,000	<b>450,000</b>
	<b>Total Managerial Remuneration (A+B)</b>	<b>Rs. 42,00,000/-</b>			<b>(including sitting fees)</b>

### C. Remuneration to Key Managerial Personnel other than MD / Manager / WTD

(Amount in Rs.)

Sr. No.	Particulars of Remuneration	Key Managerial Personnel		
		Mr. Kaushal Shah (Company Secretary)	Mr. Vinay Sharma (Chief Financial Officer)	Total
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	12,60,200	12,60,200
	(b) Value of perquisites u/s 17(2) of Income-tax Act, 1961	-	18,16,200	18,16,200
	(c) Profits in lieu of salary under section 17(3) of Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission			
	- as % of profit	-	-	-
	- others, specify ...	-	-	-
5	Provident Fund	-	-	-
	<b>Total</b>	<b>-</b>	<b>30,76,200</b>	<b>30,76,200</b>

### VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

## Directors' Report

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority (RD / NCLT / Court)	Appeal made if any (give details)
<b>A. COMPANY: NIL</b>					
Penalty					
Punishment					
Compounding					
<b>B. DIRECTORS: NIL</b>					
Penalty					
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT: NIL</b>					
Penalty					
Punishment					
Compounding					

For and on Behalf of the Board of Directors of

**AJR INFRA AND TOLLING LIMITED**

(formerly Gammon Infrastructure Projects Limited)

Mineel Mali  
Whole-Time Director  
DIN: 06641595

Jaysing Ashar  
Director  
DIN-07015068

Place: Mumbai  
Date: 26th November, 2022



## Directors' Report

Veeraraghavan.N  
Practising Company Secretary

First Maritime Private Limited  
201, Gheewala Building  
M.P. Road, Mulund – East  
Mumbai 400081  
Mob: 9821528844  
Email : nvr54@ymail.com

### Form No. MR – 3

#### SECRETARIAL AUDIT REPORT

#### FOR THE FINANCIAL YEAR ENDED ON 31st MARCH 2022

(Pursuant to Section 204 (1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

To  
The Members,  
AJR INFRA AND TOLLING LIMITED  
(formerly Gammon Infrastructure Projects Limited)

I, have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **AJR INFRA AND TOLLING LIMITED** (formerly Gammon Infrastructure Projects Limited) (hereinafter called the '**Company**') (**CIN-L45203MH2001PLC131728**). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on my verification of the books, papers, minute books, forms and return filed and other records maintained by the Company and also the information provided by the Company and its officers, during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March 2022 ('Financial Year') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the Financial Year, according to the provisions of:

- (i). The Companies Act, 2013 (the "Act") and the rules made thereunder;
- (ii). The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the rules made thereunder;
- (iii). The Depositories Act, 1996 and the Regulations and bye-laws framed thereunder;
- (iv). The Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v). The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("**SEBI Act**"):
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

## Directors' Report

- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (d) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
- (e) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993;
- (f) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- (g) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; and
- (h) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2021;
- (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

- (1) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (2) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited read with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the Financial Year, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

### **A Regulation 33(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:**

**The listed entity shall submit annual audited standalone and consolidated financial results for the financial year, within sixty days from the end of the financial year along with the audit report and Statement on Impact of Audit Qualifications for audit report with modified opinion.**

**There was a delay in submission of the audited standalone and consolidated financial results for the quarter and financial year ended 31st March, 2021 by a period of eight days beyond the extended due date i.e. 30th June, 2021.**

**NSE and BSE had imposed fine on the Company for the above non-compliance. The Company had made an application for waiver of fine requesting NSE and BSE to waive the fine. The waiver application of the Company was rejected by NSE on 12th July, 2022. The Company paid the fine on 4th August, 2021.**

**The decision of BSE is still awaited.**

### **B Regulation 33(3)(a) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:**

**The listed entity shall submit quarterly and year-to-date standalone financial results to the stock exchange within forty-five days of end of each quarter, other than the last quarter.**

**There was a delay in submission of the standalone and consolidated financial results for the quarter ended 31st December, 2021 by a period of fourteen days beyond the due date i.e. 14th February, 2022.**

**NSE and BSE had imposed fine on the Company for the above non-compliance. The Company paid the fine on 22nd March, 2022.**

## Directors' Report

I further report that:

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

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

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

**Veeraraghavan N.**

ACS No: 6911

CP No : 4334

UDIN: A006911D000761060

Place : Mumbai

Date : 8th August, 2022

## Directors' Report

### Annexure V

#### DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

- (i) The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 1st April 2021 to 31st March 2022 are as under:

Sr. No.	Name of the Director	Designation	Remuneration	Ratio (times)
A	Median Employee Remuneration	-	N.A.	N.A.
B	Directors Remuneration			
1.	Mr.Mineel Mali	Whole Time Director	Nil	N.A.

The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during 1st April 2021 to 31st March 2022 are as under:

Sr. No.	Name of the Director / KMP	Designation	% increase in Remuneration in the Financial Year 1st April 2021 to 31st March 2022
1.	Mr. Mineel Mali	Whole Time Director	Nil
2	Mr. Vinay Sharma	Chief Financial Officer	Not Applicable

- (iii) The percentage increase in the median remuneration of employees in the financial year: Nil (Previous year Nil)
- (iv) There were two permanent employees on the rolls of the Company as on 31st March, 2022.
- (viii) Average percentage increase made in the salaries of employees other than the managerial personnel in the financial year ended 31st March 2022 was Nil whereas the increase in the managerial remuneration for the same financial year was Nil.
- (xii) It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.



# Report on Corporate Governance

## COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

As a good corporate citizen, the Company is committed to sound corporate practices based on conscience, openness, fairness, professionalism and accountability in building confidence of its various stakeholders thereby paving the way for its long term success. The long-term interest, particularly in infrastructure business, is closely woven with alignment of the trust of its stakeholders'. Your Company is committed to enhance the stakeholders' interest and maintain a customer centric focus in all its dealings.

The Company's philosophy on Corporate Governance is built on a rich legacy of fair and transparent governance and disclosure practices, many of which were in existence even before they were mandated by legislation.

The Company's essential character revolves around values based on transparency, integrity, professionalism and accountability. At the highest level, the Company continuously endeavours to improve upon these aspects and adopts innovative approaches for leveraging resources, converting opportunities into achievements through proper empowerment and motivation, fostering a healthy growth and development of human resources.

## BOARD OF DIRECTORS

### COMPOSITION OF THE BOARD OF DIRECTORS AND ATTENDANCE AT THE BOARD MEETINGS

The Board of Directors of the Company during the financial year comprised of seven directors of which six are non-executive directors and one is an executive director. Out of the six non-executive directors, four are independent directors. The Board has an optimum combination of executive, non-executive and independent directors.

The composition of the Board is in conformity with Regulation 17 of the SEBI (Listing Obligations And Disclosure Requirements) Regulations 2015 ('SEBI Listing Regulations').

During the financial year ended 31st March 2022 ("Financial Year"), the Board met 10 (ten) times on 2nd June, 2021, 6th June, 2021, 8th July, 2021, 30th July, 2021, 14th August, 2021, 12th October, 2021, 27th October, 2021, 13th November, 2021, 28th February, 2022 and 26th March, 2022.

The composition of the Board of Directors, their attendance at the Board Meetings during the Financial Year and at the last Annual General Meeting along with their number of other directorships and memberships of committees are given below:

Name of Directors	Out of Ten Board Meetings held during the Financial Year, the director attended	No. of directorships in other public companies\$	Attendance at last AGM	No. of committee positions held in public companies including the Company\$\$	
				Chairman	Memberships including chairmanships
Ms. Homai Daruwalla, Independent Director	9	9	Yes	3	10
Mr. Mahendra Kumar Agrawala, Independent Director	10	Nil	Yes	2	2
Mr. Vinod Sahai, Independent Director	10	2	Yes	Nil	2
Mr. Sunilbhai Chhabaria, Independent Director	10	Nil	No	Nil	Nil
Mr. Mineel Mali Whole-Time Director	10	1	Yes	Nil	2
*Mr. Chayan Bhattacharjee, Non- Executive Director	9	7	Yes	Nil	Nil
**Mr. Jaysingh Ashar, Non-Executive Director	10	4	Yes	Nil	Nil

## Report on Corporate Governance

\*Resigned as Non-Executive Director w.e.f. 26th July, 2022

\*\*Resigned as Non-Executive Director w.e.f. 26th November, 2022

\$ excludes private, foreign and unlimited liability companies and companies registered under section 8 of the Companies Act, 2013

\$\$ indicates membership of Audit & Stakeholders Relationship Committees across all public limited companies.

Name of Directors	Names of other listed companies and category of directorship
Ms. Homai Daruwalla	Rolta India Limited, Independent Director  Triveni Engineering And Industries Limited, Independent Director  Triveni Turbine Limited, Independent Director  Associated Alcohols & Breweries Limited, Independent Director  Jaiprakash Associates Limited, Independent Director
Mr. Chayan Bhattacharjee	Nil
Mr. Mahendra Kumar Agrawala	Nil
Mr. Jaysingh Ashar	Nil
Mr. Vinod Sahai	Nil
Mr. Sunilbhai Chhabaria	Nil
Mr. Mineel Mali	Nil

Mr. Mineel Mali was re-appointed as a Whole-Time Director for a period of 3 years with effect from 1st April, 2022 and the shareholders at its Extraordinary General Meeting held on 28th April, 2022 approved his re-appointment.

Mr. Subhrarabinda Birabar has been appointed as additional director w.e.f. 26th November 2022 in the category of Non-Executive Non-Independent Director.

Mr. Chayan Bhattacharjee resigned as a Non-Executive Director of the Company w.e.f. 26th July, 2022.

Mr. Jaysingh Ashar resigned as a Non-Executive Director of the Company w.e.f. 26th November, 2022.

None of the Directors are related to each other in any manner.

### SEPARATE MEETING OF INDEPENDENT DIRECTORS

The Independent Directors met on 15th March, 2022, to review the performance of Non-Independent Directors and performance of the Board as a whole, taking into account the views of the Directors and also assessment of the quality, quantity and timelines of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Based on the declarations received from the Independent Directors, the Directors confirm that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations and that they are independent of the management.

### INDEPENDENT DIRECTORS AS DIRECTORS OF UNLISTED MATERIAL SUBSIDIARIES

In terms of Regulation 16(1)(c) of the SEBI Listing Regulations, the unlisted material subsidiaries of the Company as on 31st March, 2022 are given below. In accordance with Regulation 24 of the SEBI Listing Regulations, the following Independent Directors of the Company are also Independent Director on the Board of the unlisted material subsidiaries as on 31st March, 2022:

Name of the material unlisted subsidiaries	Name of the Independent Director
Sidhi Singrauli Road Project Limited	Mr. Vinod Sahai
*Vizag Seaport Private Limited (VSPL)	Ms. Homai Daruwalla

## Report on Corporate Governance

\*W.e.f. 17th November, 2021, VSPL ceased to be a subsidiary of the Company.

The minutes of the Board meetings of the unlisted subsidiary companies are placed at the Board meetings of the Company. The management also periodically brings to the attention of the Board of Directors, a statement of significant transactions and arrangements entered into by all the unlisted subsidiary companies of the Company. The Audit Committee of the Company also reviews the financial statements in particular the investments made by the unlisted subsidiaries.

### CORE SKILLS / EXPERTISE / COMPETENCIES

The Board has identified the following skills / expertise / competencies fundamentals for the effective functioning of the Company and the Directors of the Company who have such skills / expertise / competence:

<b>Core skills / expertise / competencies identified by the Board of Directors as required in the context of its business and sector</b>	<b>Names of Directors who have such skills / expertise / competence</b>
Executive Leadership	Mr. Chayan Bhattacharjee and Mr. Mineel Mali
Strategic Advisor, Public and Regulatory Policy	Mr. Chayan Bhattacharjee, Mr. Mahendra Kumar Agrawala, Mr. Vinod Sahai and Mr. Mineel Mali
Financial Acumen	Ms. Homai Daruwalla, Mr. Mahendra Kumar Agrawala, Mr. Vinod Sahai and Mr. Mineel Mali
Corporate Governance, Risk and Compliance	Mr. Chayan Bhattacharjee, Ms. Homai Daruwalla, Mr. Mahendra Kumar Agrawala, Mr. Sunilbhai Chhabaria, Mr. Jaysingh Ashar and Mr. Mineel Mali

### FAMILIARIZATION PROGRAMMES IMPARTED TO INDEPENDENT DIRECTORS

The Company has put in place a familiarization programme for the Independent Directors to familiarize them with their role, rights and responsibilities as Directors, the working of the Company, nature of the industry in which the Company operates, business model, etc. It is also available on the Company's website [https://ajrinfra.in/secretarial\\_infor.html](https://ajrinfra.in/secretarial_infor.html)

### PERFORMANCE EVALUATION

Pursuant to the provisions of Companies Act, 2013 and SEBI Listing Regulations, the Board has carried out the annual performance evaluation for the Financial Year of the performances of the Directors individually as well as the evaluation of the working of its Board and their Committees.

Performance evaluation of each of the Directors was carried out based on the criteria as laid down by the Nomination & Remuneration Committee. The broad criteria followed for evaluation of performance of the Directors includes aspects such as attendance at the meetings, participation and independence during the meetings, interaction with management, role & accountability, knowledge & proficiency.

### CODE OF CONDUCT

The code of conduct laid down by the Board of Directors is applicable to all the Directors and Senior Management of the Company. The Code of Conduct is posted on the Company's website [www.ajrinfra.in](http://www.ajrinfra.in). All the Board Members and Senior Management of the Company have affirmed compliance with the Code of Conduct for the year ended 31st March, 2022. A declaration to this effect, duly signed by the Whole-Time Director is annexed hereto.

### COMMITTEES OF THE BOARD:

#### 1. AUDIT COMMITTEE

The Audit Committee comprises of four members with majority being Independent Directors. The Chairman of the Audit Committee is Independent Director.

## Report on Corporate Governance

### Terms of Reference

The role and terms of reference of the Audit Committee covers the matters specified for Audit Committee under Section 177 of the Companies Act, 2013 (as amended from time to time) and Part C of Schedule II of SEBI Listing Regulations which, inter alia, includes overseeing financial reporting process, reviewing periodic financial statements, financial results and auditor's report thereon, reviewing and monitoring the auditor's independence and performance and effectiveness of audit process discussions with Statutory and Internal Auditors. The Audit Committee, inter alia, performs the functions of approving Annual Internal Audit plan, approval of any subsequent modification of transactions of the Company with related parties, scrutiny of inter-corporate loans & investments, management discussion and analysis of financial condition and results of operations, evaluation of internal financial controls, reviewing the functioning of the whistle blower mechanism. In addition, the powers and role of the Audit Committee are as laid down under Part C of Schedule II of SEBI Listing Regulations and Section 177 of the Companies Act, 2013.

During the Financial Year, the Audit Committee met 5 (five) times. The meetings were held on 6th June, 2021, 8th July, 2021, 14th August, 2021, 13th November, 2021 and 28th February, 2022. Necessary quorum was present at the meetings.

### Composition and attendance

Sr. No.	Name	Designation	No. of Meetings attended
1	Mr. Mahendra Kumar Agrawala	Chairman	5
2	Ms. Homai Daruwalla	Alternate Chairperson	5
3	Mr. Vinod Sahai	Member	5
4	Mr. Mineel Mali	Member	5

### 2. NOMINATION & REMUNERATION COMMITTEE

The Nomination & Remuneration Committee ("NRC") comprises of four members with majority being Independent Directors.

### Terms of reference

- i) formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- ii) formulating the criteria for evaluation of performance of independent directors and the board of directors;
- iii) devising a policy on diversity of board of directors;
- iv) identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the board of directors their appointment and removal;
- v) whether to extend or continue the term of appointment of the independent director on the basis of the report of performance evaluation of independent directors and
- vi) recommending to the board all remuneration, in whatever form, payable to senior management.

During the Financial Year, the NRC met 2 (two) times. The meetings were held on 2nd June, 2021 and 28th February, 2022. Necessary quorum was present at the meetings.

### Composition and Attendance

Sr. No.	Name	Designation	No. of Meetings attended
1	Ms. Homai Daruwalla	Chairperson	2
2	Mr. Mahendra Kumar Agrawala	Member	2
3	*Mr. Jaysingh Ashar	Member	2
4	Mr. Sunilbhai Chhabaria	Member	2

\*Ceased to be member of the NRC w.e.f. 26th November, 2022 due to his resignation as a Director



## Report on Corporate Governance

### Remuneration Policy:

The remuneration of the Whole-Time Director is recommended by the NRC to the Board for approval after considering the relevant factors such as functions, role and responsibilities, comparison with the remuneration paid by peer companies, industry benchmarking, regulatory guidelines as applicable, etc. The Board considers the recommendations of the NRC and approves the remuneration, with or without modifications,

Details of remuneration paid to the Whole-Time Director during the financial year 2021-22 and his shareholding in the Company:

Name and Designation	Period	Salary (Rs.) (Basic)	Benefits (Rs.)	Total (Rs.)	Total number of shares held
Mr. Mineel Mali, Whole-Time Director	01-04-2021 to 31-03-2022	Nil	Nil	Nil	1,972

Details of payments made to the Non-Executive Directors during the financial year 2021-22 and their shareholding in the Company as on 31st March 2022:

Name of the Non-Executive Directors	Sitting fees (Rs.)	Total number of shares held
Ms. Homai Daruwalla	8,50,000	541
Mr. Mahendra Kumar Agrawala	9,00,000	Nil
Mr. Jaysingh Ashar	6,00,000	5405
Mr. Vinod Sahai	8,00,000	Nil
Mr. Sunilbhai Chhabaria	6,00,000	Nil
Mr. Chayan Bhattacharjee	4,50,000	51,342

### 3. STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholders Relationship Committee ("SRC") comprises of four members with majority being Independent Directors.

#### Terms of reference

- resolving the grievances of the security holders of the listed entity including complaints related to transfer / transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new / duplicate certificates, general meetings etc.;
- reviewing the measures taken for effective exercise of voting rights by shareholders;
- reviewing the adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent and
- reviewing various measures and initiatives

subject to shareholders' and regulatory approvals. The remuneration structure comprises salary, allowance, contribution to provident fund and gratuity.

The Non-Executive Directors do not draw any remuneration from the Company. The Non-Executive Directors are paid sitting fees for their commitment towards attending the meetings of the Board / Committees and commission on the basis of their performance as may be determined by the Board from time to time.

taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants / annual reports / statutory notices by the shareholders of the company.

During the Financial Year, the SRC met once on 22nd March, 2022. Necessary quorum was present at the meeting.

#### Composition and Attendance

Sr. No.	Name	Designation	No. of Meetings attended
1	Mr. Mahendra Kumar Agrawala	Chairman	1
2	Ms. Homai A. Daruwalla	Member	1
3	Mr. Vinod Sahai	Member	1
4	Mr. Mineel Mali	Member	1

## Report on Corporate Governance

During the Financial year, the Company has not received any complaint and no complaint(s) are pending at the end of the Financial Year. The status of complaints received if any, is periodically reported to the Board of Directors.

Pursuant to Regulation 6 of SEBI Listing Regulations, Mr. Kaushal J. Shah, Company Secretary acts as the Compliance Officer and Secretary to the SRC.

### 4. COMPENSATION COMMITTEE

#### Terms of reference

To administer the "Employee Stock Options Scheme" and related issues.

No meeting of the Compensation Committee was held during the financial year.

#### Composition and Attendance

Sr. No.	Name	Designation
1	Ms. Homai Daruwalla	Chairperson
2	Mr. Mahendra Kumar Agrawala	Member
3	*Mr. Jaysingh Ashar	Member

\*Ceased to be member of the Compensation Committee w.e.f. 26th November, 2022 due to his resignation as a Director

### 5. RISK MANAGEMENT COMMITTEE

The Board has constituted Risk Management Committee ("RMC") to monitor and review the risk management plan of the Company.

No meeting of the RMC was held during the Financial Year.

#### Composition and Attendance

S r. No.	Name	Designation
1	Mr. Mineel Mali	Chairman
2	Ms. Homai Daruwalla	Member

### 6. BUSINESS REVIEW COMMITTEE

The Business Review Committee ("BRC") reviews the implementation and working of projects under development and operation and to decide on the various Public-Private Partnership and

allied opportunities that may come up before the Company with special emphasis on:

- i) the assessment and minimization of legal and business risk;
- ii) consortium partners;
- iii) agreement with consortium partners, technology providers and service providers and the costs & terms thereof;
- iv) economic benefits and
- v) business positioning of the Company.

No meeting of the BRC was held during the Financial Year.

#### Composition and Attendance

Sr. No.	Name	Designation
1	Ms. Homai Daruwalla	Member
2	Mr. Mineel Mali	Member

### 7. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

#### Terms of reference

- i) to formulate and recommend to the Board of Directors a Corporate Social Responsibility ("CSR") Policy and monitoring the same from time to time;
- ii) amount of expenditure to be incurred on the activities pertaining to CSR and
- iii) monitoring CSR Projects.

No meeting of the CSR Committee was held during the financial year.

#### Composition and Attendance

Sr. no.	Name	Designation
1	Mr. Mineel Mali	Chairman
2	*Mr. Jaysingh Ashar	Member
3	Ms. Homai Daruwalla	Member

\*Ceased to be member of the CSR Committee w.e.f. 26th November, 2022 due to his resignation as a Director.

## Report on Corporate Governance

### GENERAL BODY MEETINGS

Details of the last three Annual General Meetings (AGMs) are as follows:

AGM	Year	Date	Time	Venue	Special Resolution passed
18th	1st April 2018 to 31st March 2019	30th September 2019	11.00 a.m.	Hotel Kohinoor Park, Empress Hall, 1st Floor, Kohinoor Corner, Veer Savarkar Marg, Prabhadevi, Mumbai - 400025	Appointment of Ms. Homai Daruwalla as Independent Director for second consecutive term.  Variation of terms of appointment of Mr. Kishore Kumar Mohanty as the Managing Director.
19th	1st April 2019 to 31st March 2020	30th September 2020	12.00 Noon	Through Video Conferencing / Other Audio Visual Means	a. Appointment of Mr. Chayan Bhattacharjee as a Whole Time Director  b. Variation of terms of Appointment of Mr. Kishore Kumar Mohanty as the Managing Director  c. Appointment of Mr. Vinod Sahai as an Independent Director
20th	1st April 2020 to 31st March 2021	30th September 2021	3:40 p.m.	Through Video Conferencing / Other Audio Visual Means	Not Applicable

Details of the Extraordinary General Meeting is as follows:

Year	Date	Time	Venue	Special Resolution passed
2021	30/06/2021	3.30 pm	Through Video Conferencing / Other Audio Visual Means	a. Re-appointment of Mr. Chayan Bhattacharjee as a Whole Time Director b. Appointment of Mr. Mineel Mali as a Whole Time Director c. Change in name of the company from Gammon Infrastructure Projects Limited to AJR INFRA AND TOLLING LIMITED d. Sale / transfer / disposal or otherwise dilution of upto 35% of the total paid capital of Vizag Seaport Private Limited, a material subsidiary of the Company.
2022	28/04/2022	3.40 pm	Through Video Conferencing / Other Audio Visual Means	a. Re-appointment of Mr. Mineel Mali as a Whole-Time Director for a period of 3 (three) years with effect from 1st April, 2022 b. Sale or otherwise dilution of the Company's investments in Vizag Seaport Private Limited (VSPL), an associate of the Company upto 40.76% of the total paid-up capital of VSPL.

## Report on Corporate Governance

Year	Date	Time	Venue	Special Resolution passed
2022	12/08/2022	3.00 pm	Through Video Conferencing / Other Audio Visual Means	a. Sale or otherwise dilution of the Company's investments in Sikkim Hydro Power Ventures Limited (SHPVL), a material wholly-owned subsidiary of the Company upto 100% of the total paid-up capital of SHPVL.

### POSTAL BALLOT

During the Financial Year, no approval of the shareholders was taken through the postal ballot. At present there is no proposal for postal ballot. Hence, the procedure for postal ballot is not laid down.

### CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

A certificate has been received from Mr. Veeraraghavan N., Practising Company Secretary, that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as directors of companies by the Securities And Exchange Board of India, Ministry of Corporate Affairs or any such statutory authority.

### DISCLOSURES

The Company has complied with all the mandatory requirements as laid down under Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI Listing Regulations.

The Company's policy on "material subsidiary" and policy on dealing with "related party transactions" respectively have been placed on the Company's website and can be accessed through weblink – [www.ajrinfra.in](http://www.ajrinfra.in).

All mandatory Accounting Standards have been followed in preparation of financial statements and no deviation has been made in following the same.

There have been no materially significant Related Party Transactions that may have potential conflict with the interests of the Company at large. Transactions with related party set out in Notes to Accounts, forming part of the Annual Report.

The Stock Exchanges had levied fine for non-compliance of certain regulations of SEBI Listing Regulations which had been paid by the Company,

details of the same are given below:

Financial Year	Amount of Fine (Rs.)	
	The National Stock Exchange of India Limited	BSE Limited
1st April, 2018 to 31st March, 2019	Nil	Nil
1st April, 2019 to 31st March, 2020	*2,65,000	*2,65,000
1st April, 2020 to 31st March, 2021	**7,29,000	***1,19,000
<b>Total</b>	<b>9,94,000</b>	<b>3,84,000</b>

\*Includes Rs.120,000/- fine levied for non-compliance under Regulation 19 for having only two directors in Nomination & Remuneration Committee from 15th December, 2019 to 12th February, 2020, which was waived off by The National Stock Exchange of India Limited ('NSE') and BSE Limited on Company's application for waiver of the same.

\*\*Includes fines levied on the Company by NSE for the following non-compliances:

- Fine of Rs.4,000/- for delay of 2 days in submission of the shareholding pattern for the quarter ended 31st March, 2020 under Regulation 31 of SEBI Listing Regulations and waived off by the NSE vide waiver order dated 13th November, 2020;
- Fine of Rs.20,000/- for delay of 4 days in submission of the financial results for the quarter and year ended 31st March, 2020 under Regulation 33 of SEBI Listing Regulations;
- Fine of Rs.1,00,000/- for delay of 20 days in submission of the financial results for the quarter ended 30th June, 2020 under Regulation 33 of SEBI Listing Regulations



## Report on Corporate Governance

and waived off by the NSE vide waiver order dated 13th April, 2021;

- Fine of Rs.4,55,000/- for the period commencing from 1st April, 2020 to 30th June, 2020 for not having six directors on the Board of the Company under Regulation 17(1) (c) of SEBI Listing Regulations; and
- Fine of Rs.1,50,000/- for the period commencing from 1st July, 2020 to 30th July, 2020 for not having six directors on the Board of the Company under Regulation 17(1) (c) of SEBI Listing Regulations.

\*\*\*Includes fines levied on the Company by BSE Limited for the following non-compliances:

- Fine of Rs.4,000/- for delay of 2 days in submission of the shareholding pattern for the quarter ended 31st March, 2020 under Regulation 31 of SEBI Listing Regulations and waived off by the BSE vide waiver order dated 23rd December, 2020;
- Fine of Rs.15,000/- for delay of 3 days in submission of the financial results for the quarter and year ended 31st March, 2020 under Regulation 33 of SEBI Listing Regulations;
- Fine of Rs.1,00,000/- for delay of 20 days in submission of the financial results for the quarter ended 30th June, 2020 under Regulation 33 of SEBI Listing Regulations and waived off by the BSE vide email dated 1st December, 2021.

Save as mentioned above no other penalties / strictures have been imposed on the Company by SEBI or any other statutory authority on any matter related to capital markets during the last 3 (three) years.

The Company has adopted the Whistle Blower Policy in accordance with the provisions of the SEBI Listing Regulations and applicable law in this behalf for reporting concerns about unethical behavior, actual or suspected fraud or violation of the Company's code of conduct. No personnel have been denied access to the Audit Committee.

Outstanding GDRs / ADRs / Warrants or any convertible instruments, conversion date and likely impact on equity: N.A.

### TOTAL FEES PAID TO STATUTORY AUDITORS

M/s. Nayan Parikh & Co., Chartered Accountants (Firm Registration No. 107023W) are the Statutory Auditors of the Company. The particulars of payment of fees to the Statutory Auditors' on consolidated basis is given below:

(Rs. in Lakhs)				
Particulars		2021-22	2020-21	
Audit fee including limited review fee		18.50	19.50	
Certifications & other services		—	0.03	
Reimbursement of expenses		—	0.15	
<b>Total</b>		<b>18.50</b>	<b>19.68</b>	

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

During the Financial Year, the Company has not received any complaints relating to sexual harassment of women under The Sexual Harassment of Women At Workplace (Prevention, Prohibition And Redressal) Act, 2013.

### CEO/CFO CERTIFICATION

Certification on financial statements pursuant to Regulation 17(8) of the SEBI Listing Regulations has been obtained from the Whole-Time Director and Chief Financial Officer.

### PREVENTION OF INSIDER TRADING CODE

The Company has adopted a Code of Conduct to regulate, monitor and report trading by insiders and code of practices and procedures for fair disclosures of unpublished price sensitive information in terms of Regulations 8(1), 9(1) and 9(2) of SEBI (Prohibition of Insider Trading) Regulations, 2015. All the Directors, employees at senior management level and other employees who could have access to unpublished price sensitive information of the Company are governed by this Code.

## Report on Corporate Governance

### MEANS OF COMMUNICATION

The quarterly, half-yearly and annual results are published in the newspapers. During the Financial Year, the Company had published the results in Business Standard (Mumbai, Delhi & Kolkata editions) and Free Press Journal (English) and Nav Shakti times (Marathi). The said results are also displayed on the Company's website at [www.ajrinfra.in](http://www.ajrinfra.in). Press releases made by the Company are informed to the Stock Exchanges and are also uploaded on the website of the Company.

### GENERAL SHAREHOLDER INFORMATION

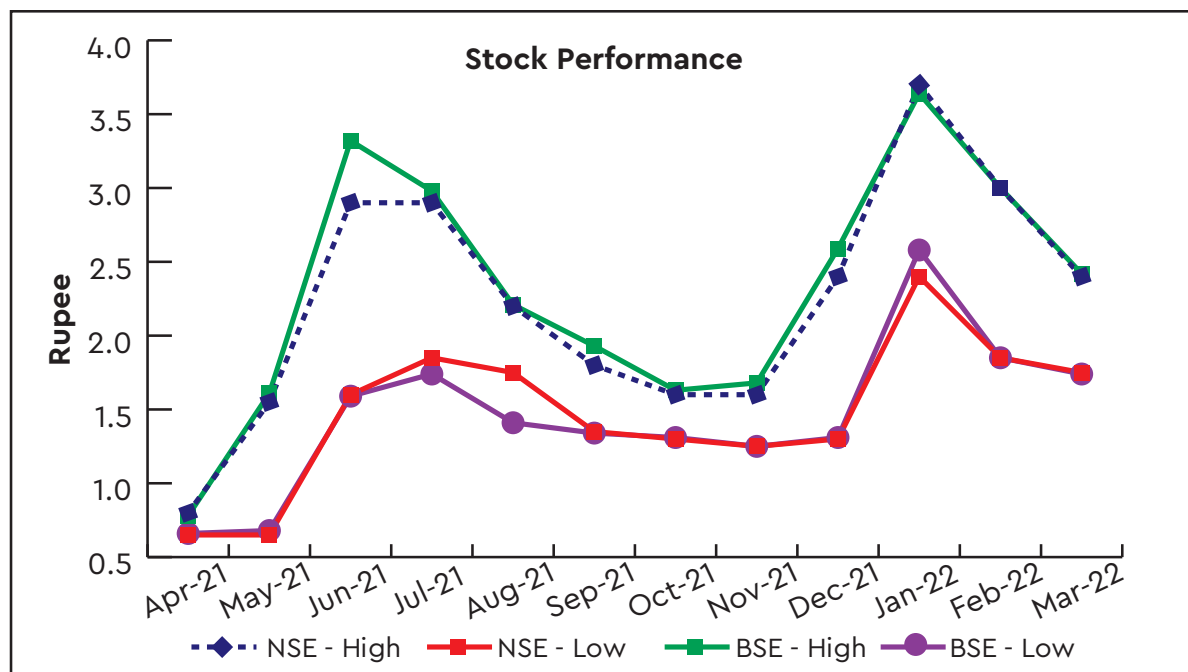
<b>Annual General Meeting</b>	Thursday, 29th December, 2022 at 3.30 p.m.
Day, Date, Time	through Video Conferencing / Other Audio Visual Means
<b>Financial Calendar</b>	
Quarterly results will be declared as per the following tentative schedule	
First quarterly results	On or before August 14, 2022
Second quarterly results	On or before November 14, 2022
Third quarterly results	On or before February 14, 2023
Year ending March, 2022	On or before May 30, 2023
<b>Dividend Payment Date</b>	The Company has not recommended any dividend for the financial year
<b>Registered Office and CIN</b>	3rd Floor, 3/8, Hamilton House, J.N. Heradia Marg, Ballard Estate, Mumbai-400038 CIN: L45203MH2001PLC131728
<b>Phone, Fax, E-mail</b>	Phone (022) 67487200; Fax (022) 67487201 E-mail: <a href="mailto:compliances@ajrinfra.in">compliances@ajrinfra.in</a> Website: <a href="http://www.ajrinfra.in">www.ajrinfra.in</a>
<b>Plant Location</b>	None
<b>Registrar and Share Transfer Agents</b>	Link Intime India Private Limited C-101, 247, Lal Bahadur Shastri Marg Gandhi Nagar, Vikhroli West Mumbai - 400 083
<b>Listing on the Stock Exchanges</b>	The National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) The Annual listing fees have been paid to both the Stock Exchanges. Scrip Code on BSE: 532959 and Company Symbol on NSE: AJRINFRA
<b>ISIN</b>	INE181G01025

# Report on Corporate Governance

Stock market price data for the period: 01.04.2021 to 31.03.2022

Month	National Stock Exchange of India Ltd		BSE Limited	
	NSE - High	NSE - Low	BSE - High	BSE - Low
Apr-21	0.80	0.65	0.78	0.66
May-21	1.55	0.65	1.61	0.68
Jun-21	2.90	1.60	3.32	1.59
Jul-21	2.90	1.85	2.98	1.74
Aug-21	2.20	1.75	2.21	1.41
Sep-21	1.80	1.35	1.93	1.34
Oct-21	1.60	1.30	1.63	1.31
Nov-21	1.60	1.25	1.68	1.25
Dec-21	2.40	1.30	2.59	1.31
Jan-22	3.70	2.40	3.64	2.58
Feb-22	3.00	1.85	3.00	1.85
Mar-22	2.40	1.75	2.42	1.74

AJRINFRA Comparative High Low price on NSE & BSE - Graph

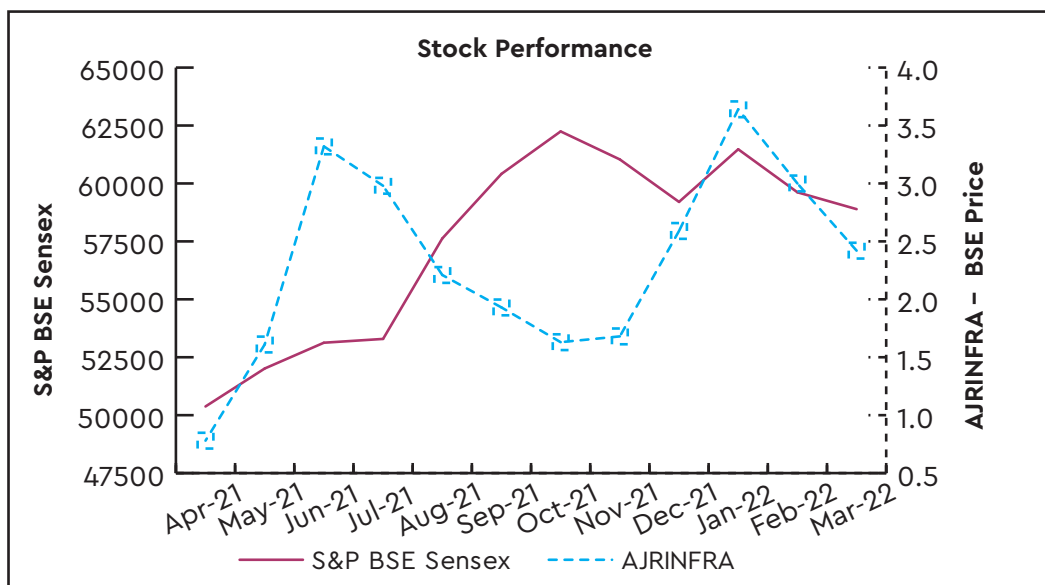


# Report on Corporate Governance

## Share Price Performance in comparison to S&P BSE Sensex

Month - Year	AJRINFRA - BSE Prices	S&P BSE Sensex
Apr-21	0.78	50,375.77
May-21	1.61	52,013.22
Jun-21	3.32	53,126.73
Jul-21	2.98	53,290.81
Aug-21	2.21	57,625.26
Sep-21	1.93	60,412.32
Oct-21	1.63	62,245.43
Nov-21	1.68	61,036.56
Dec-21	2.59	59,203.37
Jan-22	3.64	61,475.15
Feb-22	3.00	59,618.51
Mar-22	2.42	58,890.92

Graph



## Share Transfer System

The Stakeholders Relationship Committee looks after the share transfer system and other related issues simultaneously with the Registrar and Share Transfer Agent.



## Report on Corporate Governance

### Distribution of Shareholding as on 31st March, 2022

No. of Equity Shares	Shareholders		No. of Shares	% of Total
	Number	% to Total		
1- 500	65,508	50.24	1,14,57,066	1.22
501 – 1000	22,113	16.96	1,87,77,011	1.99
1001 – 2000	14,475	11.10	2,29,83,630	2.44
2001 – 3000	6,917	5.30	1,81,02,219	1.92
3001 – 4000	3,004	2.30	1,09,53,711	1.16
4001 – 5000	4,565	3.50	2,22,89,903	2.37
5001 – 10000	6,659	5.10	5,38,06,152	5.71
10001 and above	7,168	5.50	78,34,61,032	83.19
<b>Total</b>	<b>1,30,409</b>	<b>100.00</b>	<b>94,18,30,724</b>	<b>100.00</b>

### Shareholding Pattern as on March 31, 2022

Category	Number of Shares Held	% of capital
<b>A) Promoter's Holding</b>		
1. Indian		
Individual/HUF	Nil	Nil
Central/State Government	Nil	Nil
Bodies Corporate	193999800	20.60
Financial Institutions/Banks	Nil	Nil
Any Other	Nil	Nil
2. Foreign Promoters		
Individual	Nil	Nil
Bodies Corporate	Nil	Nil
Institutions	Nil	Nil
Any Other	Nil	Nil
<b>Sub – Total (A) (1+2)</b>	<b>193999800</b>	<b>20.60</b>
<b>B) Public Holding</b>		
1. Institutions		
Mutual Funds and UTI	Nil	Nil
Banks/ Financial Institutions	67585734	7.18
Insurance Companies (Central / State Government Institutions / Non – Government Institutions)	Nil	Nil
Foreign Portfolio Investor	96125295	10.21
Venture Capital Funds	Nil	Nil
<b>Sub – Total (B)(1)</b>	<b>163711029</b>	<b>17.39</b>
2. Non Institutions		
Bodies Corporate	86097849	9.14
Individuals		

## Report on Corporate Governance

Category	Number of Shares Held	% of capital
(i) Individual Shareholders holding nominal share capital up to Rs. 1 Lakh	272271073	28.90
(ii) Individual Shareholders holding nominal share capital in excess of Rs. 1 Lakh	189635204	20.13
Any other:		
(i) NRIs / OCBs / Foreign Nationals	13729803	1.46
(ii) Directors & Relatives	59260	0.01
(iii) Clearing Member	2639808	0.28
(iv) Office Bearers	2821007	0.30
(v) Trusts	1515	0.00
(vi) Hindu Undivided Family	16860991	1.79
(vii) NBFCs registered with RBI	1900	0.00
(viii) Central Government	3000	0.00
<b>Sub – Total (B) (2)</b>	<b>584121410</b>	<b>62.01</b>
<b>Sub – Total (B) (1+2)</b>	<b>747832439</b>	<b>79.40</b>
Shares held by Custodians and against which Depository Receipts have been received	Nil	Nil
<b>GRAND TOTAL</b>	<b>941830724</b>	<b>100.00</b>

### Dematerialization of Shares

The break- up of Company's shares in physical / dematerialized form as on 31st March, 2022 is as under:

Particulars	No. of Equity Shares	% to Share Capital
Electronic	941828121	99.99972
Physical	2603	0.00028
Total	941830724	100.00

The free float of the Company as on 31st March, 2022 is 79.40%.

### Disclosures with respect to the Demat Suspense Account / Unclaimed Suspense Account

In accordance with the requirement of Regulation 34 (3) and Part F of Schedule V of SEBI Listing Regulations, the Company reports the following details in respect of equity shares lying in the suspense account:

Sr. No.	Particulars	Cases	No. of Shares
1	Aggregate number of shareholders and the outstanding shares lying in the unclaimed suspense account as on 01.04.2020	22	19,455
2	Number of shareholders who approached for transfer of shares from unclaimed suspense account during the year	-	-
3	Number of shareholders to whom shares were transferred from Unclaimed suspense account during the year	-	-
4	Aggregate number of shareholders and the outstanding shares lying in the unclaimed suspense account as on 31.03.2021	22	19,455

## Report on Corporate Governance

### Address for Correspondence

All inquiries, clarifications and correspondence should be addressed to the Compliance Officer at the following address:

#### Mr. Kaushal Shah

Company Secretary & Compliance Officer  
AJR INFRA AND TOLLING LIMITED  
(formerly Gammon Infrastructure Projects Limited)  
3rd Floor, 3/8, Hamilton House, J. N. Heradia Marg,  
Ballard Estate, Mumbai – 400038  
Telephone: 022-67487200

The Company has following separate email ID for Investor's grievances: [compliances@ajrinfra.in](mailto:compliances@ajrinfra.in)

### Compliance with Mandatory / Non-Mandatory Requirements

The Company has complied with all the mandatory requirements of corporate governance specified in SEBI Listing Regulations. The Board has taken cognizance of the discretionary requirements as specified in Part E of Schedule II to the SEBI Listing Regulations and are being reviewed from time to time.

Mumbai, 26th November, 2022

### Declaration

This is to affirm that the Board of Directors of AJR INFRA AND TOLLING LIMITED (formerly Gammon Infrastructure Projects Limited) has adopted a Code of Conduct for its Directors and Senior Management Personnel in compliance with the provisions of Regulation 26 of SEBI (Listing Obligations And Disclosure Requirement) Regulations, 2015 and the Board of Directors and Senior Management Personnel of the Company have confirmed the compliance of provisions of the said Code for the financial year ended 31st March, 2022.

**Mineel Mali**

Whole-Time Director

Place: Mumbai

Date: 9th November, 2022

## Report on Corporate Governance

Veeraraghavan .N  
Practising Company Secretary

First Maritime Private Limited  
201, Gheewala Building  
M.P. Road, Mulund – East  
Mumbai 400081  
Mob: 9821528844  
Email : nvr54@ymail.com

### Certificate under Regulation 34(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Based on my scrutiny of the records, documents and information provided by Gammon Infrastructure Projects Limited (the 'Company'), CIN: L45203MH2001PLC131728, having its Registered Office at 3rd Floor, Plot No. 3/8, Hamilton House, J. N. Heradia Marg, Ballard Estate, Mumbai – 400038, for verification and disclosures and declarations given by the Directors to the Company under applicable statutes and also based on the verification of facts regarding the Board of Directors of the Company, available in the public domain, I hereby certify that, as on date of this Certificate, none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of companies either by the Securities and Exchange Board of India or the Ministry of Corporate Affairs or any such statutory authority.

**Veeraraghavan N.**

ACS No. 6911

CP No. 4334

UDIN: A006911D001637133

Place: Mumbai

Date: 11th November, 2022



## Report on Corporate Governance

Veeraraghavan .N  
Practising Company Secretary

First Maritime Private Limited  
201, Gheewala Building  
M.P. Road, Mulund – East  
Mumbai 400081  
Mob: 9821528844  
Email : nvr54@ymail.com

### CERTIFICATE FROM THE PRACTISING COMPANY SECRETARY REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To,  
The Members of  
**AJR INFRA AND TOLLING LIMITED**  
(formerly Gammon Infrastructure Projects Limited)  
(CIN: L45203MH2001PLC131728)

I have examined the compliance of conditions of Corporate Governance by AJR INFRA AND TOLLING LIMITED (formerly Gammon Infrastructure Projects Limited) for the financial year ended 31st March 2022 as stipulated in Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations 2015 ('the Regulations').

The Compliance of conditions of Corporate Governance is the responsibility of the management. My examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and according to the explanations given to me, I certify that the Company has complied in all material respects with the conditions of Corporate Governance as stipulated in the Regulations.

I further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**Veeraraghavan N.**

ACS No. 6911

CP No. 4334

UDIN: A006911D001636550

Place: Mumbai  
Date: 11th November, 2022

# Independent Auditor's Report

To  
The Members of  
AJR Infra and Tolling Limited  
(Formerly known as Gammon Infrastructure Projects Limited)

## Report on the Audit of the Consolidated Financial Statements

### Qualified Opinion

We have audited the accompanying Consolidated Financial Statements of AJR Infra and Tolling Limited (Formerly known as Gammon Infrastructure Projects Limited) (hereinafter referred to as the "Holding Company") and its subsidiaries (The Holding Company and its Subsidiaries together referred to as "the Group"), its Associates and Jointly Controlled Entities, which comprise the Consolidated Balance Sheet as at March 31, 2022, and the Consolidated Statement of Profit and Loss (including other comprehensive income), Consolidated Statement of Changes in Equity and Consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements, including a summary of Significant Accounting Policies and other explanatory information (hereinafter referred to as the "Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matter described in Basis of Qualified Opinion paragraph, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Company as at March 31, 2022, consolidated loss (including other comprehensive income), consolidated changes in equity and its consolidated cash flows for the year ended on that date.

### Basis for Qualified Opinion

a) Attention is invited to Note 31 (a) of the Financial Statement, relating to the Project in the SPV; Indira

Container Terminal Pvt Ltd. There exists material uncertainty relating to the future of the Project where the exposure of the Group in the SPV / project is Rs. 54,555.01 lacs (funded and non-funded). The draft settlement agreement between the SPV, Ministry of Shipping (MoS), Mumbai Port Trust (MbPT) has been rejected by MbPT. The Company and the SPV are in discussion with MbPT and MoS to reconsider the Project. The credit facility is marked as NPA by the Lenders. The SPV and MbPT have initiated arbitration proceedings which are in progress. The MBPT has requested for conciliation proceedings which are also under active discussions. The Statutory auditors of the SPV in their Audit Report also have qualified that they are unable to comment whether any provision is required towards the possible impairment of the project. Pending conclusion of matters of material uncertainty related to the Project and decision of the OTS by the lenders not being concluded, we are unable to comment whether any provision is required towards possible impairment towards the said exposure.

b) Attention is invited to Note 34 (a) of the Financial Statement in respect of PHPL where the CIRP proceedings had been initiated. NCLT has approved the resolution plan submitted by Resolution Professional and as per the NCLT Order no surplus is available to the Company. The Company has filed an appeal in NCLAT against the NCLT order and expects favourable outcome on the matter.

Pending the outcome, no impairment has been done by the Management against the funded exposure. On accounts of the facts stated above, there is possible impairment towards the exposure of the Group in the SPV of Rs. 21,294.19 lacs disclosed as Equity Instruments carried at fair value through Profit and Loss (excluding non-funded exposure of Rs. 1,19,024.39 lacs disclosed as contingent liability) unless the Management receives a favourable order in its appeal before the NCLAT.

c) Attention is invited to Note 34 (b) of the Financial Statement in respect of RGPL where the CIRP proceedings had been initiated. NCLT has since the balance Sheet date approved the resolution plan submitted by Resolution Professional and as

## Independent Auditor's Report

per the NCLT Order no surplus is available to the Company.

The Company is proposing to file an appeal before NCLAT against the NCTL order and expects favourable outcome on the matter. Pending the outcome, no impairment has been done by the Management against the possible impairment. On accounts of facts stated above, possible impairment towards the exposure of the Group in SPV is Rs. 1,08,190.68 lacs disclosed as Equity Instruments carried at fair value through Profit and Loss (excluding non-funded exposure of Rs. 9,811.02 lacs disclosed as contingent liabilities) unless the Management receives a favourable order in its proposed appeal being filed before the NCLAT.

- d) Attention is invited to Note 31 (f) of the Financial Statement, relating to power project where the operation of the project is under constraints as detailed in the note. The SPV has also invoked the arbitration against the Karkhana and the Karkhana has approached Debt Recovery Tribunal (DRT). Based on the submission of Karkhana that the Plant was possessed and run by Karkhana, the tribunal ordered to maintain status quo. The Company is in the process of filing its response at DRT. Also, the SPV's credit facilities are marked as Non-Performing Assets. Pending the outcome of the legal proceedings and in the absence of resolution of financial and operational constraint under the project, we are unable to comment whether any provision is required towards possible impairment towards the exposure of the project. The audit of the SPV for the year ended March 31, 2022 is also not completed. Total funded and non-funded exposure of the group in the SPV is Rs. 18,940.83 lacs.
- e) The financial statements of the following material Associate, Subsidiaries and Joint Ventures are based on un-audited management prepared financial statements and have been accounted as such and on which no further audit procedures have been carried out by us, including to determine whether the INDAS effects have been appropriately considered, as follows
- i. M/s Pravara Renewable Energy Limited, a subsidiary of the Company whose financial statements reflect total assets of Rs. 21024.87

lacs and total revenues of Rs. 2160.80 Lacs.

Since the Subsidiaries, Joint Ventures and Associates mentioned above are material, the Assets, Revenue and Cash Flow represented in those financial statements are subject to audit and consequent effect, if any.

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 Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Consolidated 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 Qualified Opinion on the Consolidated Financial Statement.

### Material Uncertainty Related to Going Concern

We draw attention to the following material uncertainty related to going concern included in the notes on the consolidated financial statements of Holding Company, a subsidiary company of the Holding Company, on matters which are relevant to our opinion on the consolidated financial statements of the Group and reproduced by us as under.

#### a) In respect of Holding Company

We invite attention to Note 33 of the Financial Statement relating to material uncertainty relating to going concern. The Group's current liabilities exceeded current assets significantly and are at Rs. 3,08,282.84 lacs. There is a continuing mismatch including defaults in payment of its financial obligations to its lenders. The liquidity crunch is affecting the Group's operation with increasing severity. We also invite attention to note 31 of the Financial Statement wherein status of various SPV projects which are stressed due to delay in completion, cost overrun, liquidity crunch

## Independent Auditor's Report

and have legal issues, arbitration proceedings or negotiations. The future of these projects as also the successful progress and completion depends on favourable decisions on outstanding litigations being received by the Management. The resolutions planned by the Management are pending since a long time and are not concluding in favour of the Company. We also invite attention to note no. 34 regarding two material subsidiaries where parent has lost control and wherein Resolution Professional has been appointed by NCLT. These conditions indicate the existence of Material Uncertainty which may impact the Group's ability to continue as a going concern. Our report is not qualified on this matter.

- b) In respect of Subsidiaries in the following cases the auditors' have carried a paragraph relating to going concern which is extracted from the Independent Auditors' Report of the respective component detailed below:

**i) Indira Container terminal Private Limited**

Attention is invited relating to the going concern assumption and the status of the project. The said note details the status of the progress of the project and the various issues faced by the Company. The Lender have issued a notice of financial default to the Company in terms of Substitution Agreement under intimation to MBPT. The credit facilities are marked as NPA.

There is no official extension to RORO Operations although the Company is not restricted in continuing the same. The draft settlement Agreement being negotiated between the Company, MOS and MbPT has been rejected by MbPT and the Parent Company and Company are in discussion with MbPT & MOS to reconsider the matter relating to the extension of the Project as per the mutually decided fresh terms and find a solution to give the significant efforts put in by the Parent Company and Company in reviving the Project over the Past 4 years.

Subsequently the Company has gone into arbitration against MBPT with a claim of Rs. 2,96,736 lacs. The respondent has filed their Statement of Defense and Counter Claim of Rs 2,40,000 lacs.

**ii) Siddhi Singrauli Road Projects Limited**

We invite attention to the issues associated with the progress of the project including the final notice to terminate the project and subsequent developments in various arbitration hearings, the Company on a prudent basis has made full impairment provision in its books of accounts towards the Intangible Asset under development of Rs. 77,351.34 lakhs (net of Unamortized portion of Capital Grant of Rs. 26,323.56 lakhs) and there being material uncertainties regarding amicable resolution for the Project. The company's borrowing has been marked as NPA thereby shutting down fresh drawings from the bankers. The Loans have been substantially recalled by the lenders. The excess of current liabilities over current asset works out to Rs. 77,230.91 lacs. There are material uncertainties regarding amicable resolution for the Project and in its ability to continue as going concern. The going concern assumption of the management is after considering the aforesaid facts. We have relied on the management assertions. Our report is not qualified on this matter.

**iii) Vijayawada Gundugolanu Road Projects Private Limited**

We invite attention to the basis of preparation and note of the financial statements relating to going concern assumption not being valid and the financial statements being not prepared on a going concern basis, NHAI terminated the project vide settlement agreement dated 27.12.2018, as per the said agreement the company has paid Rs 18.05 crores to NHAI as full and final settlement. The company has written off/written back all the balances of assets and liabilities related to Service Concession Arrangement and recognised loss of Rs 1376.20 Lakhs in 2018-19. The company does have any other activity and there are no plans envisaged. The accounts are not prepared on going concern assumption. Our report is not qualified on this account.

### Emphasis of Matter

Without qualifying our opinion, we draw attention to the following matters related to Emphasis of Matter included in the audit report issued on the consolidated financial statements of Holding Company, a subsidiary

## Independent Auditor's Report

company of the Holding Company, on matters which are relevant to our opinion on the consolidated financial statements of the Group, and reproduced by us as under

- a) We invite attention to Note 31 (c) of the Financial Statement, regarding unilateral termination and closure of Concession in a bridge project, which is subject to pending litigations / arbitrations at various forums, which may impact the carrying values of investments and loans and advances given to the subsidiary. The Group's exposure towards the said project (funded and non-funded) is Rs. 1,787.13 lacs. Pending conclusion on these legal matters, no adjustments have been made in the financial statements.
- b) We invite attention to Note 31 (d) of the Financial Statement, in relation to intention to exit one of the hydro power projects at Himachal Pradesh and seeking a claim of an amount against the amount spent on the Project. The Company's subsidiary has cited reasons for non-continuance on account of reasons beyond its control. The SPV has appointed its arbitrator in the matter and has also reminded GoHP to nominate its arbitrator, since there was no action from GoHP on the matter, the SPV has moved the Himachal Pradesh High Court under section 11 of the Arbitration and Conciliation Act. Vide order dated 24th July, 2021 passed by the Hon'ble High court, the arbitration petition was disposed after appointment of Sole arbitrator in this matter. The Group's exposure towards the said project includes investment and loans & advances of Rs. 6,784.37 lacs. Pending conclusion between the parties, no adjustments have been made in the financial statements.
- c) We invite attention to Note 31 (e) of the Financial Statement, relating to the Hydropower project in Sikkim. The exposure of the group in the SPV is Rs. 10,923.74 lacs (net of provisions). As detailed in the note the company is in discussion with the prospective buyer for sale of investment in the SPV and the management contends that there will be no impairment towards the exposure. The auditor of the SPV also carried a Emphasis of Matter Para in their report for the year ended March 31, 2022 relating to the progress of the project.
- d) We invite attention to Note 32 of the Financial Statement, wherein during the previous year, Western Coalfields Limited (WCF) had encashed Bank Guarantee amounting Rs 1,514.01 lacs given in favour of Aparna Infraenergy India Private Limited (one of the SPV's sold to BIF India Holding Pte Ltd on February 29, 2016). Subsequent to encashment the Company has filed an application for converting earlier injunction application to suit for recovery of damages. The Management is hopeful of getting favourable decision on the matter and recovery of damages based on legal advice on the matter. Pending the outcome, the Company has shown guarantee encashment amount as receivable from Western Coal Fields

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, we do not provide a separate opinion on these matters.

Apart from what is mentioned in our paragraph titled Basis of Qualified Opinion and paragraph titled Material Uncertainty related to Going Concern there are no other matters described to be the key audit matters to be communicated in our report.

### Other Information

The Holding Company's Board of Directors is responsible for the Other Information. The "Other Information" comprises the Annual Report but does not include the Standalone and Consolidated Financial Statements and our Independent Auditors' Report thereon. The Other Information as aforesaid is expected to be made available to us after the date of this Auditor's Report.

Our opinion on the Consolidated Financial Statements does not cover the Other Information and we do not express any form of assurance or conclusion thereon.

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the Other Information identified above and, in doing so,



## Independent Auditor's Report

consider whether the Other Information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

The Other Information has not been made available to us till the date of this report. We will read the Other Information as and when it is made available to us and if conclude that there is a material misstatement, we are required to communicate the matter with those charged with governance and take necessary steps as may be required thereafter.

### Responsibilities of Management and those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these Consolidated Financial Statements in terms of the requirements of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group including its Associates and Jointly Controlled Entities in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are responsible for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included

in the Group and of its associates and jointly controlled entities is responsible for assessing the ability of the Group and of its Associates and Jointly Controlled Entities 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 Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associates and jointly controlled entities are also responsible for overseeing the financial reporting process of the Group and of its Associates and Jointly Controlled Entities.

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

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

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

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

## Independent Auditor's Report

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.

3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. 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.
5. Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

We also provide those charged with governance

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the Key Audit Matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Other Matters

- a. We did not audit the financial statements and other financial information, in respect of 21 subsidiaries, whose Ind AS financial statements reflect total assets of Rs. 99,244.58 lacs as at March 31, 2022, total revenues of Rs. 5,708.77 lacs and net cash outflow amounting to Rs. 0.62 lacs for the year ended on that date, before giving effect to elimination of intra-group transactions as considered in the preparation of the consolidated financial statements. The consolidated financial statements also includes the Group's share of net profit after tax of Rs. 226.26 lacs for the year ended March 31, 2022, as considered in the consolidated financial statements, in respect of 2 Joint venture and 1 Associates whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, jointly venture and associates, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiaries, jointly venture and associates in India, is based solely on the reports of the other auditors.

- b. We did not audit the financial statements of 1

## Independent Auditor's Report

subsidiaries, whose financial statements reflect total assets of Rs. 21024.87 lacs as at March 31, 2022, total revenues of Rs. 2160.80 lacs, Net loss after tax of Rs 3817.77 lacs and net cash outflow amounting to Rs. 152.24 lacs for the year ended on that date, The consolidated financial statements also include the Group's share of net Profit of Rs 37.09 Lacs in respect of 1 associate for the year ended March 31, 2022 as considered in the preparation of the consolidated financial statements. These financial statements are unaudited and have been furnished to us by the Management including the application of the INDAS accounting standards. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiary and joint ventures, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act in so far as it relates to the aforesaid subsidiary and joint ventures, is based solely on such unaudited financial statements. Our conclusion is not qualified on this account except for the material subsidiary and joint venture mentioned in our basis for qualified conclusion para.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable
2. As required by Section 143(3) of the Act, we report that:
  - a. We / the other auditors whose reports have relied upon except for the possible effects of the matter described in Basis of Qualified Opinion paragraph, have sought obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
  - b. In our opinion, except for the possible effects of the matter described in Basis of Qualified Opinion paragraph, proper books of account as required by law relating to preparation of the aforesaid consolidated

financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

- c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- d. In our opinion except for the possible effects of the matter described in Basis of Qualified Opinion paragraph, the aforesaid Consolidated Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e. The matters described in paragraphs under the Basis for Qualified Opinion and Material Uncertainty Relating to Going Concern paragraph, in our opinion, may have an adverse effect on the functioning of the Group.
- f. On the basis of the written representations received from the directors of the Holding Company as on March 31, 2022 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary company, joint ventures and associates incorporated in India, none of the directors of the Group Companies incorporated in India is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
- g. The matters described in our Basis of Qualified Opinion paragraph and the paragraph on Material Uncertainty related to Going Concern may have an adverse impact on the maintenance of accounts and other matters connected therewith.
- h. With respect to the adequacy of the internal financial with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

## Independent Auditor's Report

Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to financial statements.

- i. With respect to other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the act as amended in our opinion and to the best of our information and according to explanations given to us, the remuneration paid or provided by the holding company and its subsidiary companies incorporated in India, wherever applicable, to its director during the year is in accordance with the provision of section 197 of the act; and
- j. 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 consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group, its associates and jointly controlled entities – Refer Note 30 to the consolidated financial statements.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were material foreseeable losses;
  - iii. There are no amounts required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv. a) The management has represented that, to the best of their knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person or entity(ies), including foreign entities ("intermediaries") with the

understanding whether recorded in writing or otherwise, that the intermediary shall, whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security, or the like on behalf of the Ultimate Beneficiaries.

- b) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies) including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
- c) Based on such audit procedures considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (iv)(a) and (iv)(b) above contain any material misstatement.
- v. No dividend is declared or paid during the year by the company

For **Nayan Parikh & Co**  
Chartered Accountants  
Firm Registration No. 107023W

**K N Padmanabhan**

Partner

M. No. 036410

Mumbai, Dated: – September 01, 2022

UDIN: 22036410AQPFIS4613

# ANNEXURE A

**(Referred to in para 1 under 'Report on Other Legal and Regulatory requirement' section of our report to the Members of AJR Infra and Tolling Limited ( Formerly known as Gammon Infrastructure Projects Limited) of even date).**

As required by clause 3(xxi) of the Companies (Auditors Report) Order, 2020 relating to any qualifications or adverse remarks by the respective auditors in the Companies (Auditor's Report) Order (CARO) reports of the companies included in the consolidated financial statements, we report hereinbelow in the table qualifications/ adverse reporting by the respective statutory auditors.

<b>S. No.</b>	<b>Name of the Company / CIN</b>	<b>Relationship Holding / Subsidiary/ Associate / Joint Venture</b>	<b>Clause number of the Caro report which is qualified or adverse.</b>
1.	AJR Infra and Tolling Limited (L45203MH2001PLC131728)	Holding	Clause 3(xix)
2.	Indira Container Terminal Private Limited (U63032MH2007PTC174100)	Subsidiary	Clause 3(ix)(a) and Clause 3(xix)
3.	Sidhi Singrauli Road Project Limited (U74999DL2012PLC234738)	Subsidiary	Clause 3(ix)(a) and Clause 3(xix)
4.	Vijayawada Gundugolanu Road Projects Private Ltd	Subsidiary	Clause 3(xix)



# Annexure - B

**(Referred to in para 2(f) under 'Report on Other Legal and Regulatory requirement' section of our report to the Members of AJR Infra and Tolling Limited (Formerly known as Gammon Infrastructure Projects Limited) of even date).**

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

In conjunction with our audit of the consolidated financial statements of AJR Infra and Tolling Limited ( Formerly known as Gammon Infrastructure Project Limited) ("herein after referred to as "the Holding Company") as at year ended March 31, 2022, we have audited the internal financial controls with reference to financial statements of Gammon Infrastructure Projects Limited (hereinafter referred to as 'the Holding Company') and its subsidiaries, joint venture and associate, which are companies incorporated in India, as of that date.

### Opinion

In our opinion, the Holding Company, its subsidiaries, associates and jointly controlled entities, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system with reference to Financial Statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Holding 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.

### Management's Responsibility for Internal Financial Controls

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

### Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to financial statements of the Holding Company, Subsidiaries, Associates and Jointly controlled entities, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 with reference to Financial Statements 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 with reference to Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Financial Statements included obtaining an understanding of internal financial

## Independent Auditor's Report

controls with reference to Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company's internal financial controls system with reference to Financial Statements.

### Meaning of Internal Financial Controls with reference to Financial Statements

A company's internal financial control with reference to Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to Financial Statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### Inherent Limitations of Internal Financial Controls with reference to these Consolidated Financial Statements.

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

### Other Matter

a) Our aforesaid reports under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements in so far as it relates to financial statements of 21 subsidiaries and 1 Associate, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

**b) Other covered entities;**

We did not audit the internal financial controls system with reference to Ind AS financial statements in so far as it relates to one subsidiary company, which is company covered under the Act, whose financial statement reflect total assets of Rs. 21024.87 lacs as at 31 March 2022, total revenues of Rs. 2160.80 lacs, net loss after tax of Rs 3817.77 lacs and net cash outflow of Rs 152.24 lacs for the year ended on that date, and one associate whose Group's share of net Profit of Rs 37.09 Lacs as considered in these consolidated financial statements, whose internal financial controls system with reference to Ind AS financial statements are unaudited and our report on the adequacy and operating effectiveness of internal financial controls system with reference to Ind AS financial statements is based solely on representation provided by the management. In our opinion and according to the information and explanations given to us by the management.

For **Nayan Parikh & Co**  
Chartered Accountants  
Firm Registration No. 107023W

**K N Padmanabhan**  
Partner  
M. No. 036410  
Mumbai, Dated: – September 01, 2022  
UDIN: 22036410AQPFI54613

# Consolidated Balance Sheet

as at 31<sup>st</sup> March, 2022

	Note Ref	As At	(₹ in Lakhs)
	No.	31-Mar-2022	As at 31-Mar-2021
<b>ASSETS</b>			
<b>(1) Non-Current Assets</b>	8	<b>5,688,655</b>	3,349,997
(a) Property, Plant and Equipment	2 (A)	<b>17,372.15</b>	19,193.11
(b) Right of Use Assets	2 (B)	<b>265.84</b>	11,124.37
(b) Capital Work in progress	3	<b>8,999.13</b>	8,936.86
(c) Goodwill on consolidation	4	<b>96.97</b>	2,131.48
(d) Intangible Assets	5	<b>54,498.70</b>	74,294.84
(e) Intangible Assets under development	6	<b>6,856.86</b>	98,533.14
(f) Financial Assets	7		
(i) Investments	7.1	<b>55,053.51</b>	43,960.97
(ii) Trade Receivables	7.2	-	-
(iii) Loans	7.3	-	-
(iv) Others	7.4	<b>80,767.40</b>	88,789.63
(g) Deferred Tax assets (net)	8	-	293.59
(h) Other Non Current Assets	9	<b>6,550.27</b>	9,358.39
<b>Total Non – Current Assets (A)</b>		<b>2,30,460.83</b>	<b>3,56,616.38</b>
<b>(2) Current Assets</b>			
(a) Inventories	10	-	508.43
(b) Financial Assets	7		
(i) Investments	7.1	<b>5,183.15</b>	5,062.78
(ii) Trade Receivables	7.2	<b>4,742.61</b>	5,461.17
(iii) Cash and cash equivalents	7.5	<b>200.53</b>	1,764.60
(iv) Bank balance other than above	7.5	<b>2,658.64</b>	2,589.53
(v) Loans	7.3	<b>1,950.13</b>	347.47
(vi) Others	7.4	<b>2,622.04</b>	3,958.28
(c) Other Current Assets	9	<b>496.62</b>	1,173.14
<b>Total Current Assets (B)</b>		<b>17,853.72</b>	<b>20,865.40</b>
<b>Total Assets (A+B)</b>		<b>2,48,314.55</b>	<b>3,77,481.78</b>
<b>EQUITY AND LIABILITIES</b>			
<b>(1) Equity</b>			
(a) Equity Share capital	11	<b>18,917.64</b>	18,917.64
(b) Other Equity	12	<b>(92,435.85)</b>	(104.21)
<b>Equity attributable to equity holders of the parent</b>		<b>(73,518.21)</b>	<b>18,813.43</b>
(c) Non-Controlling interests		<b>(14,195.79)</b>	(8,516.40)
<b>Total Equity (A)</b>		<b>(87,714.00)</b>	<b>10,297.03</b>
<b>(2) Non-Current Liabilities</b>			
(a) Financial Liabilities	13		
(i) Borrowings	13.1	-	37,360.17
(ii) Other Financial Liabilities	13.2	<b>5,232.77</b>	5,232.77
(iii) Lease Liabilities		<b>253.78</b>	10,295.02
(b) Provisions	14	<b>56.19</b>	3,400.73
(c) Deferred Tax Liabilities (Net)	15	<b>1,549.31</b>	1,272.73
(d) Other Non-Current Liabilities	16	<b>2,799.94</b>	29,445.80
<b>Total Non-Current Liabilities (B)</b>		<b>9,891.99</b>	87,007.22
<b>(3) Current Liabilities</b>			
(a) Financial Liabilities	13		
(i) Borrowings	13.3	<b>10,988.82</b>	11,563.99
(ii) Trade Payables			
Total outstanding dues of Micro & Small Enterprise		-	-
Total outstanding dues of creditors other than Micro & Small Enterprise	13.4	<b>16,054.79</b>	18,568.50
(iii) Other Financial Liabilities	13.2	<b>2,94,216.00</b>	2,41,021.90
(iv) Lease Liabilities		<b>45.29</b>	2,301.21
(b) Provisions	14	<b>2,228.90</b>	2,380.27
(c) Current tax liabilities	17	<b>1.70</b>	1.70
(d) Other Current Liabilities	16	<b>2,601.06</b>	4,339.96
<b>Total Current Liabilities (C)</b>		<b>3,26,136.56</b>	<b>2,80,177.53</b>
Significant Accounting policies and Other related Notes	1		
<b>TOTAL EQUITY AND LIABILITIES (A+B+C)</b>		<b>2,48,314.55</b>	<b>3,77,481.78</b>

As per our report of even date

For **Nayan Parikh & Co.**

ICAI Firm Registration No. : 107023W

Chartered Accountants

**K N Padmanabhan**

Partner

M. No. 036410

Mumbai: Dated September 01, 2022

For and on behalf of the Board of Directors of

**AJR INFRA AND TOLLING LIMITED****Jaysingh Ashar**

Director

DIN: 07015068

**Vinay Sharma**

Chief Financial Officer

**Mineel Mali**

Whole-Time Director

DIN: 06641595

**Kaushal Shah**

Company Secretary

M. No. ACS 18501

# Consolidated Statement of Profit & Loss

for the year ended 31<sup>st</sup> March, 2022

	Notes	As At 31-Mar-2022	(₹ in Lakhs) As at 31-Mar-2021
<b>I Revenue from Operations</b>	18	<b>17,825.25</b>	<b>24,196.21</b>
<b>II Other Income:</b>	19	<b>2,393.65</b>	1,183.49
<b>III Total Income (I +II )</b>		<b>20,218.90</b>	<b>25,379.70</b>
<b>IV Expenses:</b>			
Project expenses	20	<b>5,606.56</b>	9,899.06
Purchase of Electricity		<b>393.05</b>	728.90
Changes in inventory	21	<b>582.21</b>	925.59
Employee benefit expenses	22	<b>1,060.67</b>	1,580.25
Depreciation & amortization	23	<b>7,144.67</b>	8,892.67
Finance Costs	24	<b>26,131.94</b>	25,545.90
Other expenses	25	<b>4,325.67</b>	2,391.63
<b>Total Expenditure</b>		<b>45,244.77</b>	<b>49,964.00</b>
<b>V Profit / (Loss) before share of profit / (loss) of an associate / a joint venture and exceptional items (III-IV)</b>		<b>(25,025.87)</b>	(24,584.30)
<b>VI Share of profit / (loss) of an associate and joint venture</b>		<b>263.35</b>	42.17
<b>VII Profit / (Loss) before exceptional item and tax (V+VI)</b>		<b>(24,762.52)</b>	<b>(24,542.13)</b>
<b>VIII Exceptional items (Income) / Expense</b>		<b>70,382.22</b>	-
<b>IX Profit / (loss) before tax (VII+VIII)</b>		<b>(95,144.74)</b>	<b>(24,542.13)</b>
<b>X Tax expenses</b>	26		
Current Tax		<b>102.29</b>	-
Short Provision for Tax		<b>3.31</b>	(33.90)
Deferred Tax Liability / (asset)		<b>494.36</b>	3,159.73
<b>Total tax expenses</b>		<b>599.96</b>	<b>3,125.83</b>
<b>XI Profit/(Loss) for the period</b>		<b>(95,744.70)</b>	<b>(27,667.96)</b>
Less – Share of Non Controlling Interest (NCI)		<b>(3,409.36)</b>	(4,337.92)
<b>XII Net Profit/(Loss) after Share of NCI</b>		<b>(92,335.34)</b>	(23,330.04)
Remeasurement of defined benefit plans		<b>4.17</b>	8.90
<b>Other comprehensive income / (loss) for the period</b>		<b>4.17</b>	<b>8.90</b>
<b>XIII Total Comprehensive income/(loss) for the period (XI+XII)</b>		<b>(92,331.17)</b>	<b>(23,321.14)</b>
<b>Other Comprehensive Income attributable to:</b>			
Owners of the Company		<b>3.69</b>	6.70
Non-Controlling Interest		<b>0.47</b>	2.20
<b>Total Comprehensive Income attributable to:</b>			
Owners of the Company		<b>(92,331.65)</b>	(23,323.34)
Non-Controlling Interest		<b>(3,408.89)</b>	(4,335.72)
<b>Earnings per equity share [nominal value of share Rs. 2/-]</b>	27		
Basic (Rs.)		<b>(9.80)</b>	(2.48)
Diluted (Rs.)		<b>(9.80)</b>	(2.48)

As per our report of even date

For **Nayan Parikh & Co.**

ICAI Firm Registration No. : 107023W

Chartered Accountants

For and on behalf of the Board of Directors of  
**AJR INFRA AND TOLLING LIMITED**

**K N Padmanabhan**

Partner

M. No. 036410

**Jaysingh Ashar**

Director

DIN: 07015068

**Mineel Mali**

Whole-Time Director

DIN: 06641595

Mumbai: Dated September 01, 2022

**Vinay Sharma**

Chief Financial Officer

**Kaushal Shah**

Company Secretary

M. No. ACS 18501



# Consolidated Statement of Cash Flow

for the year ended 31<sup>st</sup> March, 2022

	As At 31-Mar-2022	As at 31-Mar-2021
(₹ in Lakhs)		
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Net profit before tax as per statement of profit and loss</b>	<b>(95,144.73)</b>	<b>(24,542.13)</b>
<b>Adjusted for:</b>		
Depreciation & amortization	7,144.67	8,892.67
Guarantee Commission	(481.18)	(507.97)
Interest Income	(159.87)	(119.51)
Fair value/profit on investment	(170.37)	(266.01)
Sundry Balances Write Back	(81.23)	(158.12)
Write back on account of OTS	(1,401.45)	-
Bank Interest	25,206.23	23,927.79
Interest on lease liability	576.54	1,098.94
Interest on replacement cost	349.17	519.17
Share of (Profit) / Loss of Associates and Joint Ventures	(263.35)	(42.94)
Provision for loans and advances	0.10	64.11
Profit on Sale of Assets	(27.52)	-
Loss on sale of assets	4.71	0.80
Provision for impairment of investment	809.93	-
Impairment of intangible assets	65,572.29	-
Settlement of Claim	4,000.00	-
Loss on Deconsolidation of subsidiary	1,774.81	-
<b>Operating cash flows before working capital changes and other assets</b>	<b>7,708.74</b>	<b>8,866.80</b>
<b>Adjusted for:</b>		
Trade and Other Receivables	(1,937.67)	419.94
Inventories	101.18	(34.71)
Trade and Other Payables	(428.11)	1,014.76
<b>Cash Generated from operations</b>	<b>5,444.15</b>	<b>10,266.79</b>
Tax Paid (Net)	(111.59)	(303.17)
<b>Net Cash flow from Operating Activities</b>	<b>5,332.56</b>	<b>9,963.62</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Tangible and Intangible Assets	(512.05)	(442.03)
Proceeds from sale of property, plant and equipment	535.09	5.16
Sale of Non Current Investment	2,640.00	-
Purchase of Mutual Funds	-	(475.00)
Proceeds from Sale of Mutual Funds	50.00	772.76

## Consolidated Statement of Cash Flow

for the year ended 31<sup>st</sup> March, 2022

	As At 31-Mar-2022	As at 31-Mar-2021
		(₹ in Lakhs)
Movement in Other Bank Balances	(143.12)	768.75
Interest Received	221.78	123.38
<b>Net Cash Flow (Used in) Investing Activities</b>	<b>2,791.70</b>	<b>753.01</b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
Lease Liability Payment		
Principal	(1,424.75)	(1,357.66)
Interest	(41.71)	(1,102.09)
Proceeds from Long Term Borrowings	-	663.00
Repayment of Long Term Borrowings	(1,061.64)	(1,114.96)
Short Term Borrowings net	(1,655.19)	(1,151.96)
Interest Paid	(4,498.46)	(5,591.15)
<b>Net Cash Flow from/(Used in) financing activities</b>	<b>(8,681.75)</b>	<b>(9,654.81)</b>
<b>Net (decrease )in Cash and Cash equivalents</b>	<b>(557.49)</b>	<b>1,061.81</b>
Opening balance of Cash and Cash equivalents	1,764.60	702.78
Deconsolidation of subsidiaries	(1,006.57)	-
<b>Closing balance of Cash and Cash equivalents</b>	<b>200.54</b>	<b>1,764.60</b>
<b>Components of Cash and Cash Equivalents</b>		
Cash on hand	1.16	1.12
Cash with bank	199.37	1,763.48
	<b>200.53</b>	<b>1,764.60</b>

As per our report of even date  
For **Nayan Parikh & Co.**  
ICAI Firm Registration No. : 107023W  
Chartered Accountants

For and on behalf of the Board of Directors of  
**AJR INFRA AND TOLLING LIMITED**

**K N Padmanabhan**  
Partner  
M. No. 036410

**Jaysingh Ashar**  
Director  
DIN: 07015068

**Mineel Mali**  
Whole-Time Director  
DIN: 06641595

Mumbai: Dated September 01, 2022

**Vinay Sharma**  
Chief Financial Officer

**Kaushal Shah**  
Company Secretary  
M. No. ACS 18501

# Statement of Changes in Equity

for the year ended 31<sup>st</sup> March, 2022

## A Equity

(₹ in Lakhs)

	As at March 31, 2022		As at March 31, 2021	
	Number of Shares	Amount	Number of Shares	Amount
Equity shares of INR 2 each issued, subscribed and fully paid				
Balance at the beginning of the reporting period	94,18,30,724	18,836.61	94,18,30,724	18,836.61
	94,18,30,724	18,836.61	94,18,30,724	18,836.61
<b>Add:</b>				
Shares forfeited	1,62,050	81.03	1,62,050	81.03
<b>Balance at the end of Reporting period</b>	<b>94,19,92,774.00</b>	<b>18,917.64</b>	<b>94,19,92,774.00</b>	<b>18,917.64</b>

## B Other Equity

(₹ in Lakhs)

	Retained Earnings	General Reserve	Security Premium Reserve	Employee Stock Option Outstanding	Total	Non Controlling interest (NCI)
<b>Balance as at 31 March 2020</b>	<b>(33,185.81)</b>	<b>23.95</b>	<b>56,369.47</b>	<b>11.52</b>	<b>23,219.13</b>	<b>(4,180.68)</b>
Profit for the year	(23,330.04)	-	-	-	(23,330.04)	(4,337.92)
Remeasurement gain/(loss) on defined benefit plans	6.70	-	-	-	6.70	2.20
<b>Balance as at 31 March 2021</b>	<b>(56,509.15)</b>	<b>23.95</b>	<b>56,369.47</b>	<b>11.52</b>	<b>(104.21)</b>	<b>(8,516.40)</b>
Profit for the year	(92,335.34)	-	-	-	(92,335.34)	(3,409.36)
Remeasurement gain/(loss) on defined benefit plans	3.69	-	-	-	3.69	0.47
Deconsolidation of Subsidiary	-	-	-	-	-	(2,270.50)
<b>Balance as at 31 March 2022</b>	<b>(1,48,840.79)</b>	<b>23.95</b>	<b>56,369.47</b>	<b>11.52</b>	<b>(92,435.86)</b>	<b>(14,195.79)</b>

As per our report of even date

For **Nayan Parikh & Co.**  
ICAI Firm Registration No. : 107023W  
Chartered Accountants

For and on behalf of the Board of Directors of  
**AJR INFRA AND TOLLING LIMITED**

**K N Padmanabhan**  
Partner  
M. No. 036410

**Jaysingh Ashar**  
Director  
DIN: 07015068

**Mineel Mali**  
Whole-Time Director  
DIN: 06641595

Mumbai: Dated September 01, 2022

**Vinay Sharma**  
Chief Financial Officer

**Kaushal Shah**  
Company Secretary  
M. No. ACS 18501

# Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2022

(All figures are in lacs unless otherwise stated)

## Note 1 : Significant Accounting policies and Other Related Disclosures

### A Corporate Information

AJR Infra and Tolling Limited (Formerly Gammon Infrastructure Projects Limited) ("the Company" or "Parent" or "AJR") is a public company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. Its shares are listed on two recognised stock exchanges in India – the Bombay Stock Exchange and the National Stock Exchange. The registered office of the Company is located at third Floor, Plot No. 3/8 Hamilton House, J.N. Herdia Marg, Ballard Estate Mumbai Mh 400038 . The financial statements comprises the financial statements of the Company and its subsidiaries (the Company and its subsidiaries referred to as the "Group") and its associates and joint arrangements. The Group is engaged in infrastructure sector formed primarily to develop, invest in and manage various initiatives in the infrastructure sector. It is presently engaged in the development of various infrastructure projects in sectors like transportation, energy and urban infrastructure.

The financial statements were authorised for issue in accordance with the resolution passed at the meeting of the board of directors on September 01, 2022.

### B Recent Pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under the Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022 MCA notified the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1, 2022, as below

#### i) Ind AS 103 – Reference to Conceptual Framework

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired, and liabilities assumed must meet the definition of assets and liabilities at the acquisition date in the Conceptual Framework for Financial Reporting

under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India. These changes do not significantly change the requirements of Ind AS 103. The Company does not expect the amendment to have any significant impact on its financial statements.

#### ii) Ind AS 16 – Proceeds before intended use

The amendment clarifies that excess of net sales proceeds of items produced over the cost of testing, if any, shall not be recognized in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant and equipment. The Company does not expect the amendment to have any material impact in its recognition of its property, plant and equipment in its financial statements

#### iii) Ind AS 109 – Annual Improvements to Ind AS (2021)

The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognize a financial liability. The Company does not expect the amendment to have any significant impact on its financial statements.

#### iv) Ind AS 106 – Annual Improvements to Ind AS (2021)

The amendments remove the illustration of the reimbursement of lease hold improvement by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration. The Company does not expect the amendment to have any significant impact on its financial statements

### C Basis of Preparation

These financial statements are Consolidated Financial Statements and are prepared in accordance with Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting

## Notes to the Consolidated Financial Statements

For the year ended 31<sup>st</sup> March, 2022

(All figures are in lacs unless otherwise stated)

Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

The Consolidated financial statements are presented in INR and all values are rounded to the nearest Rupees in lacs, except otherwise stated.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The classification of assets and liabilities of the Company is done into current and non-current based on the operating cycle of the business of the Company. The operating cycle of the business of the Company is less than twelve months and therefore all current and non-current classifications are done based on the status of realisability and expected settlement of the respective asset and liability within a period of twelve months from the reporting date as required by Schedule III to the Companies Act, 2013.

### i) Principles of Consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at 31 March 2022. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Subsidiaries are entities controlled by the Group. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed off during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary. Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. The financial statements of each of the subsidiaries used for the purpose of consolidation are drawn up to same reporting date as that of the Company, i.e., year ended on 31 March 2022.

### ii) Consolidation procedure

Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.

Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.

Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full, except as stated below Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

The Build, Operate and Transfer (BOT) / Design, Build, Finance, Operate and Transfer (DBFOT) contracts are governed by Service Concession Agreements with government authorities (grantor). Under these agreements, the operator does not own the road, but gets "toll collection rights" against the construction services rendered. Since the construction revenue earned by the operator is considered as exchanged with the grantor against toll collection rights, revenue is recognised at fair value of construction services rendered and profit from such contracts is considered as realised. Accordingly, BOT / DBFOT contracts awarded to group companies (operator), where work is subcontracted to fellow subsidiaries, the intra group transactions on BOT / DBFOT contracts and the profits arising thereon are taken as realised and not eliminated.

### Non-controlling interests in the net assets of consolidated subsidiaries consists of :

- a) The amount of equity attributed to noncontrolling interests at the date on which



## Notes to the Consolidated Financial Statements

For the year ended 31<sup>st</sup> March, 2022

(All figures are in lacs unless otherwise stated)

investment in a subsidiary relationship came into existence;

- b) The non-controlling interest share of movement in equity since the date parent subsidiary relationship came into existence;

- c) Non-controlling interest share of net profit/(loss) of consolidated subsidiaries for the year is identified and adjusted against the profit after tax of the Group.

(iii) The following entities are considered in the Consolidated Financial Statements listed below:

Sr No	Name of the Entity	Relation ship	Proportion of ownership interest either directly or indirectly	
			As on March 31, 2021	As on March 31, 2020
1	(AJR Infra and Tolling ( Formerly Gammon Infrastructure Projects Limited	Holding	100.00%	100.00%
2	Birmitrapur Barkote Highway Private Limited ('BBHPL')	Subsidiary	100.00%	100.00%
3	Cochin Bridge Infrastructure Company Limited ('CBICL')	Subsidiary	97.66%	97.66%
4	Gammon Logistics Limited ('GLL')	Subsidiary	100.00%	100.00%
5	Gammon Projects Developers Limited (GPDL')	Subsidiary	100.00%	100.00%
6	Gammon Renewable Energy Infrastructure Projects Limited ('GREIPL')	Subsidiary	100.00%	100.00%
7	Gammon Road Infrastructure Limited ('GRIL')	Subsidiary	100.00%	100.00%
8	Gammon Seaport Infrastructure Limited ('GSIL')	Subsidiary	100.00%	100.00%
9	Haryana Biomass Power Limited ('HBPL')	Subsidiary	100.00%	100.00%
10	Marine Project Services Limited ('MPSL')	Subsidiary	100.00%	100.00%
11	Sidhi Singrauli Road Project Limited ('SSRPL')	Subsidiary	100.00%	100.00%
12	Tada Infrastructure Development Company Limited ('TIDCL')	Subsidiary	100.00%	100.00%
13	Tidong Hydro Power Limited ('THPL')	Subsidiary	51.00%	51.00%
14	Vizag Seaport Private Limited ('VSPL') (Upto October 28, 2021	Subsidiary	73.76%	73.76%
15	Yamunanagar Panchkula Highway Private Limited ('YPHPL')	Subsidiary	100.00%	100.00%
16	Youngthang Power Ventures Limited ('YPVL')	Subsidiary	100.00%	100.00%
17	Vijayawada Gundugolanu Road Project Private Limited ('VGRPPL')	Subsidiary	100.00%	100.00%
18	Pravara Renewable Energy Limited ('PREL')	Subsidiary	100.00%	100.00%
19	Sikkim Hydro Power Ventures Limited ('SHPVL')	Subsidiary	100.00%	100.00%
20	Indira Container Terminal Private Limited ('ICTPL')	Subsidiary	74.00%	74.00%
21	Ras Cities and Townships Private Limited ('RCTPL')	Step-down subsidiary	100.00%	100.00%

## Notes to the Consolidated Financial Statements

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(All figures are in lacs unless otherwise stated)

Sr No	Name of the Entity	Relation ship	Proportion of ownership interest either directly or indirectly	
			As on March 31, 2021	As on March 31, 2020
22	Chitoor Infrastructure Company Private Limited ('CICPL')	Step-down subsidiary	100.00%	100.00%
23	Earthlink Infrastructure Projects Private Limited ('EIPPL')	Step-down subsidiary	100.00%	100.00%
24	Segue Infrastructure Projects Private Limited ('SIPPL')	Step-down subsidiary	100.00%	100.00%
25	"Elgan India Martrade Private Limited (Formerly known as Eversun Sparkle Maritimes Services Private Limited ('ESMSPL'))"	Associate	30.90%	30.90%
26	Vizag Seaport Private Limited ('VSPL') (w.e.f October 28, 2021)	Associate	40.76%	40.76%
27	GIPL – GIL JV	Joint Venture	95.00%	95.00%
28	GIPL – GECPL JV	Joint Venture	40.00%	40.00%

(iv) In the absence of financial statements of BWIOTPL ATSL Mordern Toll Road and SEZAL no effects are taken in these financial statements for the current period. The profit / loss for the period ended September 30, 2014 are incorporated. However, these joint ventures are not carrying out any operations and therefore their impact is not expected to be significant.

(v) As part of its overall business plans, the Group has been acquiring beneficial interest and voting rights. This beneficial interest along with the Group's legal shareholdings has resulted in the Group having control over 51% in various SPVs as listed above. The details of the amounts paid and resultant beneficial interest and voting rights acquired are as follows:

Sr No	Particulars	As at March 31, 2022			As at March 31, 2021		
		Equity shares Nos.	Amount paid	Beneficial interest %	Equity shares Nos.	Amount paid	Beneficial interest %
1	CICPL	10,000	1,00,000	100%	10,000	1,00,000	100%
2	EIPPL	10,000	1,00,000	100%	10,000	1,00,000	100%
3	SIPPL	10,000	1,00,000	100%	10,000	1,00,000	100%
4	THPL	25,500	2,55,000	51%	25,500	2,55,000	51%

### (vi) Business combinations and goodwill

In accordance with Ind AS 101 provisions related to first time adoption, the Group has exercised exemption and elected not to apply Ind AS accounting for business combinations retrospectively. The excess of cost to the group of its investments in subsidiary companies over its

share of the equity of the subsidiary companies at the dates on which the investments in the subsidiary companies are made, is recognised as 'Goodwill' being an asset in the Consolidated Financial Statements. This Goodwill is tested for impairment at the close of each financial year. Alternatively, where the share of equity in the

# Notes to the Consolidated Financial Statements

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*(All figures are in lacs unless otherwise stated)*

subsidiary companies as on the date of investment is in excess of cost of investment of the group, it is recognised as 'Capital Reserve' and shown under the head 'Reserves and Surplus', in the consolidated financial statements.

## D Use of judgments, estimates and assumptions

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgements and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of circumstances surrounding the estimates. Changes in estimates are reflected in the financial statement in the period in which changes are made and if material, their effects are disclosed in the notes to the financial statements.

## E Summary of significant accounting policies

### I Current and non-current classification

The Group presents assets and liabilities in the balance sheet based on current/non-current classification.

#### **An asset is current when :**

- It is expected to be realised or intended to be sold or consumed in normal operating cycle or
- It is held primarily for the purpose of trading or
- It is expected to be realised within twelve months after the reporting period, or
- It is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

#### **A liability is current when :**

- It is expected to be settled in normal operating cycle or

- It is held primarily for the purpose of trading or
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Group classifies all other liabilities as non-current.

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

## II Revenue Recognition

Revenue is measured based on the fair value of the consideration that is specified in a contract with a customer or is expected to be received in exchange for the products or services and excludes amounts collected on behalf of third parties. Revenue is recognised upon transfer of control of promised products or services to customers.

To recognise revenues, the Company applies the following five step approach

- (1) identify the contract with a customer,
- (2) Identify the performance obligations in the contract,
- (3) determine the transaction price,
- (4) allocate the transaction price to the performance obligations in the contract.
- (5) recognize revenues when a performance obligation is satisfied"

The revenue is recognised when (or as) the performance obligation is satisfied, which typically occurs when (or as) control over the products or services is transferred to a customer.

### i) Contract revenue (construction contracts)

Contract revenue and contract cost associated with the construction of road are recognised as revenue and expenses respectively by reference to the stage of completion of the projects at the balance sheet date. The stage of completion of project is determined by the proportion that contract cost incurred for work performed upto the balance sheet date bear to the estimated total contract costs. Where the

## Notes to the Consolidated Financial Statements

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outcome of the construction cannot be estimated reliably, revenue is recognised to the extent of the construction costs incurred if it is probable that they will be recoverable. If total cost is estimated to exceed total contract revenue, the Company provides for foreseeable loss. Contract revenue earned in excess of billing has been reflected as unbilled revenue and billing in excess of contract revenue has been reflected as unearned revenue.

### ii) Operation and Maintenance income:

Revenue from Operations and Maintenance including major maintenance are accrued on the basis of estimated cost plus margin and the amount reconciled is added to the financial asset. Revenue from financial asset is accrued in accordance with Interest EIR of the annuity receipt.

### iii) Service Concession Arrangements

In accordance with the principal laid down in Appendix C to the Ind AS 115, revenue from Construction service are recognized in exchange for grant of tolling rights, accounted at the fair value of service rendered.

### iv) Tolling Income

Tolling Income is recognised on usage of recovery of the usage charge thereon based on the notified toll rates by the Grantor.

### v) Annuity Income

The Group has recorded the project on "annuity basis" in accordance with the requirement of Appendix C of service concession arrangements of Ind AS 115.

For Recognition of Revenue, the Group has identified its performance obligation as Construction Services activity, Operations and maintenance and Major maintenance.

The Group is in the Construction Phase and the Construction income is recognised over time based on the progress of the work i.e., cost incurred during the period and margin on the Construction Activity.

Maintenance after COD date till the tenure of the Project will be recognised over

time proportionately over the concession period on the basis of the allocation of the transaction price over this performance obligation.

Finance income is recognised on the basis of the IRR considered in the project.

The Group has recognized "Contract Asset" as financial asset as per Service Concession Agreement."

### vi) Developer fees & other advisory services:

Revenue on Developer Fees is recognized on an accrual basis.

### vii) Revenue from power projects

Revenue is recognised at point in time when the performance obligation with respect to Sale of Electricity and steam is being rendered to the Customers which is the point in time when the customer receives the service. Revenue from Sale of Electricity is recognized on output basis when the generated units are wheeled to the user and the metered units are billed at the contracted rates.

The billing schedules agreed with customers include periodic performance-based payments. Invoices are payable within contractually agreed credit period.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, price concessions if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

Unearned and deferred revenue ("contract liability") is recognised when there is billings in excess of revenues.

### viii) Revenue from Port Operations

Revenue is recognised at point in time when the performance obligation with respect to RORO operations is being rendered to the Customers which is the point in time when the customer receives the service. Revenue from cargo handling service is recognized on output basis measured from cargo discharge

# Notes to the Consolidated Financial Statements

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to dispatch cycle.

## ix) Government Grants

Grants from the Government are recognised when there is reasonable assurance that (i) the Group will comply with the conditions attached to them, and (ii) the grant / subsidy will be received.

## Capital Grant

As per IND AS 20 "Accounting for Government grants and disclosure of Government Assistance" and IND AS 109 "Financial Instruments", the Grant received from grantor satisfies the Income approach criteria and therefore the Group has amortised the Grant received based on traffic count to Profit and Loss account every year."

## x) Interest income:

Interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss.

## xi) Dividend income:

Dividend is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

## xii) Finance and Other Income (including remeasurement Income)

Under Ind AS, financial guarantees given by the Company for its subsidiaries are initially recognised as a liability at fair value which

is subsequently amortised as an interest income to the Statement of Profit and Loss.

## xiii) Financial guarantee income

Under Ind AS, financial guarantees given by the Company for its subsidiaries are initially recognised as a liability at fair value which is subsequently amortised as an interest income to the Statement of Profit and Loss.

## d) Property, Plant and Equipment (PPE)

- i) Property, Plant and Equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Cost comprises of purchase price inclusive of taxes, commissioning expenses, etc. upto the date the asset is ready for its intended use.
- ii) Significant spares which have a usage period in excess of one year are also considered as part of Property, Plant and Equipment and are depreciated over their useful life.
- iii) Borrowing costs on Property, Plant and Equipment's are capitalised when the relevant recognition criteria specified in Ind AS 23 Borrowing Costs is met.
- iv) "Decommissioning costs, if any, on Property, Plant and Equipment are estimated at their present value and capitalised as part of such assets.
- v) Depreciation on all assets of the Company is charged on straight line basis over the useful life of assets at the rates and in the manner provided in Schedule II of the Companies Act 2013 for the proportionate period of use during the year. Depreciation on assets purchased /installed during the year is calculated on a pro-rata basis from the date of such purchase /installation.
- vi) An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.
- vii) The residual values and useful lives of property, plant and equipment are reviewed at each



## Notes to the Consolidated Financial Statements

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financial year end and adjusted prospectively, if appropriate.

- viii) Leasehold improvements is amortized on a straight line basis over the period of lease.

### e) Intangible assets

- i) Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.
- ii) The useful lives of intangible assets are assessed as either finite or indefinite.
- iii) Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.
- (iv) Intangible Assets without finite life are tested for impairment at each Balance Sheet date and Impairment provision, if any are debited to profit and loss.
- (v) Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

### f) Borrowing costs

Borrowing costs directly attributable to the

acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

### g) Impairment

Assets with an indefinite useful life and goodwill are not amortized/ depreciated and are tested annually for impairment. Assets subject to amortization/depreciation are tested for impairment provided that an event or change in circumstances indicates that their carrying amount might not be recoverable. An impairment loss is recognized in the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher between an asset's fair value less sale costs and value in use. For the purposes of assessing impairment, assets are grouped together at the lowest level for which there are separately identifiable cash flows (cash-generating units).

Non-financial assets other than goodwill for which impairment losses have been recognized are tested at each balance sheet date in the event that the loss has reversed.

### h) Equity investment

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by instrument basis. The classification is made on initial recognition and is irrevocable. If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to statement of profit and loss, even on sale of investment. However, the

## Notes to the Consolidated Financial Statements

For the year ended 31<sup>st</sup> March, 2022

(All figures are in lacs unless otherwise stated)

Company may transfer the cumulative gain or loss within equity. Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

Investment in subsidiaries, joint venture and associates are carried at Cost in separate financial Statement less impairment if any.

### i) Investments

Investments that are readily realisable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

Current investments: are carried at fair value with the changes in fair value taken through the statement of Profit and Loss.

### j) Inventories

Inventories are valued at the lower of cost and net realisable value.

Stores and materials are valued at lower of cost and net realizable value. Net realizable value is the estimated selling price less estimated cost necessary to make the sale. The weighted average method of inventory valuation is used to determine the cost.

### k) Taxes

#### Current Income Tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the company and its subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to

be paid to the tax authorities.

### l) Deferred Tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the standalone financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled. Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

For items recognised in OCI or equity, deferred / current tax is also recognised in OCI or equity.

### m) MAT Credit:

Minimum Alternate Tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Company recognises MAT credit available as a deferred tax asset only to the extent that there is reasonable certainty that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. The MAT credit to the extent there is reasonable certainty that the Company will utilise the credit is recognised in the Statement of profit and loss and corresponding debit is done to the Deferred Tax Asset as unused tax credit.

## Notes to the Consolidated Financial Statements

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*(All figures are in lacs unless otherwise stated)*

### n) Leases

The Company's lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e.

the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

### o) Earnings per share

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

### p) Provisions, Contingent Liabilities and Contingent Assets

#### Provisions

The Company recognizes a provision when: it has a present legal or constructive obligation as a result of past events; it is likely that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognized for future operating losses. Provisions are reviewed at each balance sheet and adjusted to reflect the current best estimates.

#### Contingent liabilities and Contingent Assets

## Notes to the Consolidated Financial Statements

For the year ended 31<sup>st</sup> March, 2022

(All figures are in lacs unless otherwise stated)

A contingent liability recognised in a business combination is initially measured at its fair value. Subsequently, it is measured at the higher of the amount that would be recognised in accordance with the requirements for provisions above or the amount initially recognised less, when appropriate, cumulative amortisation recognised in accordance with the requirements for revenue recognition.

A contingent assets is not recognised unless it becomes virtually certain that an inflow of economic benefits will arise. When an inflow of economic benefits is probable, contingent assets are disclosed in the financial statements. Contingent liabilities and contingent assets are reviewed at each balance sheet date."

### q) Employee Benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service.

Gratuity, a defined benefit obligation is provided on the basis of an actuarial valuation made at the end of each year/period on projected Unit Credit Method.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

- ▶ The date of the plan amendment or curtailment, and

- ▶ The date that the Company recognises related restructuring costs "

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.

### Termination Benefits

Termination benefits are payable as a result of the company's decision to terminate employment before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The company recognizes these benefits when it has demonstrably undertaken to terminate current employees' employment in accordance with a formal detailed plan that cannot be withdrawn, or to provide severance indemnities as a result of an offer made to encourage voluntary redundancy. Benefits that will not be paid within 12 months of the balance sheet date are discounted to their present value.

### r) Employee Share – based payment plans ('ESOP')

The Company accounts for the benefits of Employee share based payment plan in accordance with IND AS 102 "Share Based Payments" except for the ESOP granted before the transition date which are accounted as per the previous GAAP as provided in IND AS 101 first time adoption

### s) Foreign Currencies

#### Transactions and Balances

Transactions in foreign currencies are initially recorded in reporting currency by the Company at spot rates at the date of transaction. The Company's functional currency and reporting currency is same i.e. INR.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

## Notes to the Consolidated Financial Statements

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(All figures are in lacs unless otherwise stated)

### t) Cash and cash equivalents

Cash and cash equivalents include cash in hand, demand deposits in banks and other short-term highly liquid investments with original maturities of three months or less. Bank overdrafts are shown within bank borrowings in current liabilities on the balance sheet.

### u) Measurement of Earnings before interest, tax, depreciation and amortisation (EBITDA)

The Company has elected to present earnings before interest, tax expenses, depreciation and amortization expenses (EBITDA) as a separate line item on the face of the statement of profit and loss. In the measurement of EBITDA, the Company does not include depreciation and amortization expenses, interest and tax expense.

### v) Fair Value Measurement

"The Company measures financial instruments, such as, derivatives 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 is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

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

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

### w) Financial instruments

#### Initial recognition

#### i) Financial Assets & Financial Liabilities

The Company recognizes financial assets and financial liabilities when it becomes

a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, that are not at fair value through profit or loss, are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date.

#### ii) Equity Instruments

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments which are issued for cash are recorded at the proceeds received, net of direct issue costs. Equity instruments which are issued for consideration other than cash are recorded at fair value of the equity instrument.

#### Subsequent measurement

#### i) Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset 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 on the principal amount outstanding.

#### ii) Financial assets at fair value through other comprehensive income

A financial asset is subsequently 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



## Notes to the Consolidated Financial Statements

For the year ended 31<sup>st</sup> March, 2022

*(All figures are in lacs unless otherwise stated)*

dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Company has made an irrevocable election for its investments which are classified as equity instruments to present the subsequent changes in fair value in other comprehensive income based on its business model. Further, in cases where the Company has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income.

### iii) Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

### iv) Financial liabilities at amortized cost

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit and loss. 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 liabilities.

### v) Financial liabilities at FVPL

Financial liabilities at FVPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVPL. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts

are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation. Amortisation is recognised as finance income in the Statement of Profit and Loss.

### De-recognition of Financial Assets

The Company de-recognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the assets and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

### Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently 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.

### x) Dividend Distribution

Dividend distribution to the Company's equity holders is recognized as a liability in the Company's annual accounts in the year in which the dividends are approved by the Company's equity holders.

### y) Exceptional Items

When items of income and expense within profit or loss from ordinary activities are of such size, nature or incidence that their disclosure is relevant to explain the performance of the enterprise for the period, the nature and amount of such material items are disclosed separately as exceptional items.

## Notes to the Consolidated Financial Statements

For the year ended 31<sup>st</sup> March, 2022

*(All figures are in lacs unless otherwise stated)*

### **z) Trade Payables & Trade Receivables**

A payable is classified as a 'trade payable' if it is in respect of the amount due on account of goods purchased or services received in the normal course of business. These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year which are unpaid. These amounts are unsecured and are usually settled as per the payment terms stated in the contract. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the EIR method.

A receivable is classified as a 'trade receivable' if it is in respect of the amount due on account of goods sold or services rendered in the normal course of business. Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the EIR method, less provision for impairment.

# Notes to the Consolidated Financial Statements

For the year ended 31<sup>st</sup> March, 2022

(All figures are in lacs unless otherwise stated)

## 2 A Property, Plant & Equipment

	(₹ in Lakhs)									
	Freehold Land	Leasehold Land	Buildings	Plant & Machinery	Furniture & Fixtures	Office Equipments	Computers	Motor Vehicles	Container yard	Total
<b>Cost or valuation</b>										
<b>As at March 31, 2020</b>	485.34	1,891.78	4,568.86	19,532.63	92.86	164.52	317.16	312.46	135.57	27,501.17
Additions	-	-	-	1.34	0.41	10.61	3.56	15.59	-	31.51
Sales/Disposals/Adjustments	-	-	-	-	-	-	1.51	10.83	-	12.34
Transferred to Asset Held For Sale	-	-	-	-	-	-	-	-	-	-
<b>As at March 31, 2021</b>	485.34	1,891.78	4,568.86	19,533.97	93.27	175.13	319.21	317.22	135.57	27,520.34
Additions	-	-	-	3.50	0.28	1.47	7.76	24.67	-	37.68
Deconsolidation of Subsidiaries	-	-	-	-	19.62	105.36	78.46	144.28	-	347.71
Sales/Disposals/Adjustments	485.34	-	-	-	22.80	35.85	3.89	45.00	-	592.89
<b>As at March 31, 2022</b>	-	1,891.78	4,568.86	19,537.47	51.13	35.39	244.62	152.61	135.57	26,617.43
<b>Depreciation</b>										
As at March 31, 2020	-	-	1,197.37	4,957.41	73.09	134.81	285.06	182.78	135.57	6,966.09
Charge for the period	-	-	191.94	1,118.43	4.62	12.34	16.94	23.24	-	1,367.52
Sales/Disposals/Adjustments	-	-	-	-	-	-	0.67	5.72	-	6.39
Transferred to Asset Held For Sale	-	-	-	-	-	-	-	-	-	-
<b>As at March 31, 2021</b>	-	-	1,389.31	6,075.84	77.71	147.15	301.33	200.30	135.57	8,327.22
Charge for the period	-	-	188.35	1,030.26	4.07	7.30	9.15	17.28	-	1,256.41
Deconsolidation of Subsidiaries	-	-	-	-	15.89	86.52	67.12	60.61	-	230.14
Sales/Disposals/Adjustments	-	-	-	-	25.93	35.80	3.55	42.92	-	108.21
<b>As at March 31, 2022</b>	-	-	1,577.66	7,106.10	39.96	32.13	239.80	114.05	135.57	9,245.28
<b>Net Block Value</b>										
<b>As at March 31, 2022</b>	-	1,891.78	2,991.20	12,431.36	11.17	3.25	4.82	38.56	-	17,372.15
<b>As at March 31, 2021</b>	485.34	1,891.78	3,179.54	13,458.13	15.56	27.98	17.88	116.92	-	19,193.11

## Notes to the Consolidated Financial Statements

For the year ended 31<sup>st</sup> March, 2022

(All figures are in lacs unless otherwise stated)

### B Right of Use Asset-Leases

#### Details of Additions, Adjustments, Depreciation and Net Block

(₹ in Lakhs)

	Land	Equipments	Total
<b>As at Apr 1, 2021</b>	<b>308.57</b>	<b>15,181.98</b>	<b>15,490.55</b>
Cost			
<b>As at Apr 1, 2021</b>	308.57	15,181.98	15,490.55
Additions	–	–	–
Deconsolidation of Subsidiaries	–	15,181.98	15,181.98
Disposals/Adjustments	–	–	–
<b>As at March 31, 2022</b>	308.57	–	308.57
<b>Depreciation</b>			
<b>As at Apr 1, 2021</b>	28.50	4,337.68	4,366.18
Charge for the period	14.23	1,189.35	1,203.58
Deconsolidation of Subsidiaries	–	5,527.03	5,527.03
Disposals/Adjustments	–	–	–
<b>As at March 31, 2022</b>	42.73	–	42.73
<b>Net Balance of ROU-As at March 31, 2022</b>	265.84	–	265.84

### 3 Capital Work in progress

(₹ in Lakhs)

	As at March 31, 2022	As at March 31, 2021
Engineering, Procurement and Construction costs	4,362.16	4,259.16
Financial Costs	1,758.47	1,764.74
Depreciation	28.48	28.46
Other Expenses	2,850.02	2,884.50
<b>Total capital work-in-progress</b>	<b>8,999.13</b>	<b>8,936.86</b>

#### a) CWIP Ageing Schedule

As at March 31, 2022

(₹ in Lakhs)

CWIP for a period of	Projects Temporarily Suspended	Total
Less than 1 year	0.03	0.03
1–2 years	103.00	103.00
2–3 years	–	–
More than 3 years	8,896.10	8,896.10
<b>Total</b>	<b>8,999.13</b>	<b>8,999.13</b>

## Notes to the Consolidated Financial Statements

For the year ended 31<sup>st</sup> March, 2022

(All figures are in lacs unless otherwise stated)

As at March 31, 2021

CWIP for a period of			(₹ in Lakhs)
	Projects in Progress	Projects Temporarily Suspended	Total
Less than 1 year	-	-	-
1-2 years	-	-	-
2-3 years	-	-	-
More than 3 years	-	8,936.86	8,936.86
<b>Total</b>	<b>-</b>	<b>8,936.86</b>	<b>8,936.86</b>

### b) Details of Capital-work-in progress, whose completion is overdue to its original plan

As at March 31, 2022

To be completed in			(₹ in Lakhs)
	Project-1	Total	
Less than 1 year	0.03	0.03	
1-2 years	103.00	103.00	
2-3 years	-	-	
More than 3 years	8,896.10	8,896.10	
<b>Total</b>	<b>8,999.13</b>	<b>8,999.13</b>	

As at March 31, 2021

To be completed in			(₹ in Lakhs)
	Project-1	Total	
Less than 1 year	-	-	
1-2 years	-	-	
2-3 years	-	-	
More than 3 years	8,936.86	8,936.86	
<b>Total</b>	<b>8,936.86</b>	<b>8,936.86</b>	

## 4 Goodwill on consolidation

			(₹ in Lakhs)
	As at March 31, 2022	As at March 31, 2021	
Goodwill on consolidation	3,390.85	3,390.85	
Add : Goodwill on acquisition	-	-	
Less : Goodwill on de-consolidation	(2,034.51)	-	
Less : Impairment of Goodwill	(1,259.37)	(1,259.37)	
<b>Total</b>	<b>96.97</b>	<b>2,131.48</b>	



## Notes to the Consolidated Financial Statements

For the year ended 31<sup>st</sup> March, 2022

(All figures are in lacs unless otherwise stated)

### 5 Intangible assets

	(₹ in Lakhs)			
	Toll Concession rights	Computer software	Port Rights	Total
<b>Cost or valuation</b>				
<b>As at March 31, 2020</b>	27.60	71.16	1,00,648.66	1,00,747.41
Additions/Acquisition during the year	-	-	586.06	586.06
<b>As at March 31, 2021</b>	<b>27.60</b>	<b>71.16</b>	<b>1,01,234.72</b>	<b>1,01,333.47</b>
Additions	-	-	7.36	7.36
Deconsolidation of Subsidiaries		22.50	25,012.71	25,035.21
Sales/Disposals/Adjustments	27.60	-	-	27.60
<b>As at March 31, 2022</b>	<b>-</b>	<b>48.66</b>	<b>76,229.37</b>	<b>76,278.02</b>
<b>Amortisation</b>				
<b>As at March 31, 2020</b>	-	71.16	21,680.81	21,751.97
Charge for the period	-		5,286.66	5,286.66
<b>As at March 31, 2021</b>	<b>-</b>	<b>71.16</b>	<b>26,967.47</b>	<b>27,038.63</b>
Charge for the period	-	-	4,684.68	4,684.68
Deconsolidation of Subsidiaries		22.50	9,921.50	9,944.00
<b>As at March 31, 2022</b>	<b>-</b>	<b>48.66</b>	<b>21,730.66</b>	<b>21,779.32</b>
<b>Net Block</b>				
<b>As at March 31, 2022</b>	<b>-</b>	<b>-</b>	<b>54,498.71</b>	<b>54,498.70</b>
<b>As at March 31, 2021</b>	<b>27.60</b>	<b>-</b>	<b>74,267.25</b>	<b>74,294.84</b>

### 6 Intangible Assets under development

	(₹ in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Contract expenditure – Engineering, Procurement & Construction ('EPC')	4,362.16	4,259.16
Developer's fees	1,758.47	1,764.74
Borrowing Cost		
Depreciation		
Other Expenses		
Less: Unamortized amount of Grant towards Project adjusted	28.48	28.46
Less – Provision for Impairment of Intangible Assets under development *	2,850.02	2,884.50
<b>Total</b>	<b>8,999.13</b>	<b>8,936.86</b>

\* The Details of Intangible Asset Under Development Ageing is not disclosed as the project is terminated.

## Notes to the Consolidated Financial Statements

For the year ended 31<sup>st</sup> March, 2022

(All figures are in lacs unless otherwise stated)

### Intangible Asset Under Development Ageing Schedule

As at March 31, 2022

(₹ in Lakhs)

CWIP for a period of	Projects in progress	Projects temporarily suspended	Total
Less than 1 year	11.20	-	11.20
1-2 years	-	-	-
2-3 years	-	-	-
More than 3 years	-	6,845.66	6,845.66
<b>Total</b>	<b>11.20</b>	<b>6,845.66</b>	<b>6,856.86</b>

### Details of Capital-work-in progress, whose completion is overdue to its original plan

(₹ in Lakhs)

To be completed in	10 KLD Energy Efficient Aerobic with Anaerobic treatment Sewage Treatment Plant (STP)		Total
Less than 1 year	11.20	-	11.20
1-2 years	-	-	-
2-3 years	-	-	-
More than 3 years	-	-	-
<b>Total</b>	<b>11.20</b>	<b>-</b>	<b>11.20</b>

## 7.1 Financial Assets – Investments

### A Non Current Investments

(₹ in Lakhs)

	As at March 31, 2022	As at March 31, 2021
i) Equity Instruments in Subsidiaries ( to be accounted at FVTPL) (read with note below and note no 36(a) and 36(b))	39,016.37	31,109.86
ii) Quasi Equity of Equity Instruments in Subsidiaries (to be accounted at FVTPL)	12,673.25	12,673.25
iii) Equity instruments of Joint Venture Companies – Fully Impaired	307.08	307.08
Less: Provision for diminution in value of Investment	(307.08)	(307.08)
iv) Equity instruments of Associate Companies	3,363.89	177.86
Equity instruments of Associate Companies – Impaired	813.19	3.26
Less: Provision for diminution in value of Investment	(813.19)	(3.26)
v) Other Investment	-	0.50
Less: Provision for diminution in value of Investment Others	-	(0.50)
<b>Total</b>	<b>55,053.51</b>	<b>43,960.97</b>

## Notes to the Consolidated Financial Statements

For the year ended 31<sup>st</sup> March, 2022

(All figures are in lacs unless otherwise stated)

### B Current Investments

	(₹ in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Investment in Mutual fund	5,183.15	5,062.78
	<b>5,183.15</b>	<b>5,062.78</b>

#### Disclosure:

i) Investment Carried at Cost	3,363.89	177.86
ii) Investments carried at fair value through Profit and Loss	56,872.77	48,845.89

#### Details of Non-current Investments

##### Equity Instruments in Subsidiaries (accounted at FVTPL)

Name of body corporate	As at March 31, 2022		As at March 31, 2021	
	Nos	Amount	Nos	Amount
Patna Highway Projects Limited *	5,00,00,000	11,387.62	5,00,00,000	11,387.62
Rajahmundry Godavari Bridge Limited *	20,35,17,650	27,628.75	15,35,37,650	19,722.24
		<b>39,016.37</b>		<b>31,109.86</b>

##### Quasi Equity of Equity Instruments in Subsidiaries (to be accounted at FVTPL)

Name of body corporate	As at March 31, 2022		As at March 31, 2021	
	Nos	Amount	Nos	Amount
<b>Interest free Inter- Corporate Deposits in the nature of Quasi Equity :</b>				
Patna Highway Projects Limited *		10,460.50		10,460.50
Rajahmundry Godavari Bridge Limited *		2,212.75		2,212.75
		<b>12,673.25</b>		12,673.25

Note - In respect of the above subsidiaries attention is invited to note - 34 (a) and (b), where the subsidiaries are under CIRP proceedings and valuation exercise by the IRP to determine equity value has not been completed. The Company has also not carried out separate valuation of equity interest. Therefore these equity instruments presently are carried at cost.

##### Investment in Equity Instruments (Joint venture accounted under equity method)

Name of body corporate	(₹ in Lakhs)					
	As at March 31, 2022			As at March 31, 2021		
	%	Nos	Amount	%	Nos	Amount
Blue Water Iron Ore Terminal Private Limited	10.12%	30,51,808	305.18	30,51,808	305.18	
SEZ Adityapur Limited	38.00%	19,000	1.90	19,000	1.90	

## Notes to the Consolidated Financial Statements

For the year ended 31<sup>st</sup> March, 2022

(All figures are in lacs unless otherwise stated)

(₹ in Lakhs)

Name of body corporate	As at March 31, 2022		As at March 31, 2021	
	Nos	Amount	Nos	Amount
<b>Less: Provision for diminution in value of Investment</b>				
Blue Water Iron Ore Terminal Private Limited		(305.18)		(305.18)
SEZ Adityapur Limited		(1.90)		(1.90)
		-		-

### Investment in Equity Instruments (Associate accounted under equity method)

(₹ in Lakhs)

Name of body corporate	As at March 31, 2022		As at March 31, 2021		
	Nos	Amount	Nos	Amount	
ATSL Infrastructure Projects Limited	49%	24,450	1.60	24,450	1.60
Modern Tollroads Limited	49%	24,470	1.66	24,470	1.66
Vizag Seaport Private Limited	40.76%	3,55,40,730	3,958.86		
Eversun Sparkle Maritimes Services Private Limited (ESMSPL)			214.95		177.86
Less: Provision for diminution in value of Investment					
ATSL Infrastructure Projects Limited			(1.60)		(1.60)
Modern Tollroads Limited			(1.66)		(1.66)
Vizag Seaport Private Limited			(809.92)		
			3,363.89		177.86
<b>Total of Non-Current Investments</b>			55,053.51		43,960.97

## Notes to the Consolidated Financial Statements

For the year ended 31<sup>st</sup> March, 2022

(All figures are in lacs unless otherwise stated)

### B Details of Current Investments

Name of the Mutual Fund Scheme	(₹ in Lakhs)			
	As at March 31, 2022		As at March 31, 2021	
	Units	Amount	Units	Amount
<b>Quoted</b>				
<b>Investments carried at fair value through Profit and Loss</b>				
Canara Robeco savings plus fund – regular Growth *	1,49,49,706	5,115.89	1,49,49,706	4,950.73
PGIM India Insta Cash Fund – Direct Plan – Growth	86,094	67.26	1,36,822	112.05
		<b>5,183.15</b>		<b>5,062.78</b>
<b>Total of Current Investments</b>		<b>5,183.15</b>		5,062.78
<b>Total of Investments</b>		<b>60,236.67</b>		49,023.75
<b>Aggregate value of investments</b>				
Aggregate book value of unquoted investments		<b>55,053.51</b>		43,960.97
Aggregate amount of quoted investments		<b>5,183.15</b>		5,062.78
Market Value of Quoted Investment		<b>5,183.15</b>		5,062.78

\* The mutual fund held with Canara Robecco is marked as lien against Bank Guarantee facility taken from Carana Bank

### Pledge of Shares

The Company has pledged the following shares in favour of the lenders to the projects as part of the terms of financing agreements for facilities taken by the Company or its project SPV's as indicated below:

Company Name	Face value	(₹ in Lakhs)	
		No. of Equity shares pledged as at	
		As at March 31, 2022	As at March 31, 2021
<b>Pledge of shares of SPV's which are being held as on March 31, 2022</b>			
Sidhi Singrauli Road Project Limited	10/-	<b>7,33,06,600</b>	7,33,06,600
Vizag Seaport Private Limited	10/-	<b>3,49,96,898</b>	6,37,70,015
Sikkim Hydro Power Ventures Limited	10/-	<b>3,19,95,331</b>	3,19,95,331
Indira Container Terminal Private Limited	10/-	<b>1,65,00,000</b>	1,65,00,000
Patna Highway Projects Limited	10/-	<b>59,40,000</b>	59,40,000
Cochin Bridge Infrastructure Company Limited	10/-	-	16,64,019



## Notes to the Consolidated Financial Statements

For the year ended 31<sup>st</sup> March, 2022

(All figures are in lacs unless otherwise stated)

(₹ in Lakhs)

Company Name	Face value	No. of Equity shares pledged as at	
		As at March 31, 2022	As at March 31, 2021
Birmitrapur Barkote Highway Private Limited	10/-	2,600	2,600

The change in the balances between March 31, 2022 & March 31, 2021 represent additional / reduction of pledge during the period ended March 31, 2022.

### 7.2 Trade Receivables

(₹ in Lakhs)

	As at		As at	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
	Non- Current		Current	
<b>(Unsecured, at amortised cost)</b>				
i) Considered good	-	-	4,742.61	5,461.17
ii) Considered doubtful	-	-	4.34	67.42
Less:- Allowance for expected credit loss	-	-	(4.34)	(67.42)
<b>Total</b>	<b>-</b>	<b>4,742.61</b>	<b>5,461.17</b>	

#### a) Expected Credit Loss:

Since the company Calculates impairment under the simplified approach the Company does not track the changes in credit risk of trade receivables the impairment amount represents lifetime expected credit loss. Hence the additional disclosures in trade receivables for changes in credit risk and credit impaired trade receivable are not disclosed.

#### Movement in the expected credit loss allowance

(₹ in Lakhs)

	As at March 31, 2022	As at March 31, 2021
Balance at the beginning of the period	67.42	33.72
Net Impairment loss recognised	-	33.70
Deconsolidation of Subsidiaries	(56.35)	-
Amount written off/written back during the period	(6.73)	-
<b>Provision at the end of the period</b>	<b>4.34</b>	<b>67.42</b>

#### Trade Receivable Ageing Schedule

(Ageing from bill date)

#### As at March 31, 2022

## Notes to the Consolidated Financial Statements

For the year ended 31<sup>st</sup> March, 2022

(All figures are in lacs unless otherwise stated)

7.3 Loans and Advances (at amortised cost)	As at		As at	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
	Non- Current		Current	
<b>i) Other loans and advances</b>				
Entity having Significant influence	-	-	247.41	247.41
Others *	-	-	1,702.72	100.06
<b>Total (A)</b>	-	-	<b>1,950.13</b>	<b>347.47</b>
<b>ii) Intercorporate Deposits</b>				
Unsecured, Considered doubtful				
Entity having Significant influence	16.36	16.36		
Less: Provision	(16.36)	(16.36)	-	-
Others				
<b>iii) Unsecured, Considered doubtful</b>	-	114.02	400.00	400.00
Less: Provision for doubtful ICD's	-	(114.02)	(400.00)	(400.00)
<b>Total (B)</b>	-	-	-	-
<b>Total (A+B)</b>	-	-	<b>1,950.13</b>	<b>347.47</b>

Loans and Advances to Promoters, Directors, KMP's and Related Parties.

Loans or Advances in the nature of loans granted to promoters, Directors, KMPs and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person, that are Repayable on demand:

Type of Borrower	As at March 31, 2022		As at March 31, 2021	
	Outstanding Loan	% to (A)	Outstanding Loan	% to (A)
Promoters	263.77	11.15	263.77	30.05
Directors	-	-	-	-
KMPs	-	-	-	-
Related Parties	-	-	-	-
Total Loans and Advances to Promoter, Director, KMP and Related parties	263.77		263.77	
Total Loans and Advances in the nature of Loan and Advances (A)	2,366.49		877.85	

\* GREIPL – During the year ICD amounting to Rs 1500 Lacs Given at a interest rate of 9% , and the tenor of the same is 360 days.

## Notes to the Consolidated Financial Statements

For the year ended 31<sup>st</sup> March, 2022

(All figures are in lacs unless otherwise stated)

	As at		As at	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
	Non- Current		Current	
<b>7.4 Other Financial Assets</b>				
<b>i) Security Deposit</b>				
<b>(Unsecured, Considered good )</b>				
Leave and license	-	5.00	-	-
Others	<b>168.76</b>	271.31	<b>386.84</b>	178.44
<b>(A)</b>	<b>168.76</b>	<b>276.31</b>	<b>386.84</b>	<b>178.44</b>
<b>ii) Advance recoverable in cash or in kind</b>				
Unsecured, Considered Good				
Dues from entity having significant influence	-	-	<b>48.58</b>	48.68
Dues from Joint Ventures	-	-	<b>334.14</b>	1,560.08
Dues from Others	<b>1.69</b>	1.69	-	-
Unsecured, Considered doubtful				
Dues from Associates	-	-	-	0.48
Dues from Joint Ventures	-	-	<b>25.27</b>	25.17
	<b>1.69</b>	<b>1.69</b>	<b>407.99</b>	<b>1,634.41</b>
<b>iii) Others:</b>				
Considered good	<b>78,052.00</b>	78,052.00	<b>1,832.53</b>	1,834.03
Considered doubtful	-	-	-	51.62
	<b>78,052.00</b>	<b>78,052.00</b>	<b>1,832.53</b>	<b>1,885.65</b>
<b>iv) Less: Impairment of doubtful assets</b>	-	-	<b>(25.27)</b>	<b>(77.27)</b>
<b>(B)</b>	<b>78,053.69</b>	<b>78,053.69</b>	<b>2,215.25</b>	<b>3,442.79</b>
<b>v) Interest accrued receivable</b>				
From Banks, considered good	-	-	<b>3.84</b>	66.34
From others, considered Good	-	-	<b>16.11</b>	15.52
From others, considered doubtful	-	-	-	6.92
Less: Provision for doubtful Interest accrued receivable	-	-	-	(6.92)
<b>(C)</b>	-	-	<b>19.95</b>	<b>81.86</b>
<b>vi) Advance for purchase of shares (refer note (c) below)</b>				
Less - Provision for impairment	-	-	-	-
<b>(D)</b>	-	<b>7,906.51</b>	-	-
<b>vii) Share application money paid</b>				
Related parties	<b>129.95</b>	129.95	-	-
<b>(E)</b>	<b>129.95</b>	<b>129.95</b>	-	-

## Notes to the Consolidated Financial Statements

For the year ended 31<sup>st</sup> March, 2022

(All figures are in lacs unless otherwise stated)

	As at		As at	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
	Non- Current		Current	
<b>viii) Unbilled Revenue</b>	-	-	-	255.19
	-	-	-	255.19
<b>ix) Other bank balances</b>				
Transferred from Cash and Bank Balance (Refer note 7.5 (vi))	<b>2,381.11</b>	2,390.20	-	-
Deposit with Scheduled Bank (including interest)	<b>33.89</b>	32.97	-	-
<b>(G)</b>	<b>2,415.00</b>	<b>2,423.17</b>	-	-
<b>Total (A+B+C+D+E+F+G)</b>	<b>80,767.40</b>	<b>88,789.63</b>	<b>2,622.04</b>	<b>3,958.28</b>

- (a) Others considered good includes Rs. 1,514.01 lacs Due from Western Coalfields on account of wrongful encashment of bank guarantee against which the company has filed a suit and is legally advised that it has a good case of recovery. Refer detailed note no 32
- (b) Advance for Purchase of Shares:- IFCI vide its letter dated 31st January 2020 has agreed to settle the OTS transaction at a lumpsum consideration of Rs 30 crores against the entire outstanding debt dues and has agreed to transfer 49980000 equity shares of RGBL and release pledge on shares of RGBL and SSRPL. The Company had made the said payment to IFCI in the previous year and Share transfer has been done during the year.
- a) The break-up of advance recoverable in cash or in kind from related parties is as under :

	As at	
	March 31, 2022	March 31, 2021
<b>Unsecured, Considered good</b>		
<b>Dues from entity having significant influence</b>		
Gammon India Ltd	<b>48.58</b>	48.68
	<b>48.58</b>	<b>48.68</b>
<b>Unsecured, Considered good</b>		
<b>Dues from Joint Venture entities</b>		
GIPL GECPL JV	<b>334.14</b>	1,560.08
	<b>334.14</b>	<b>1,560.08</b>
<b>Unsecured, Considered doubtful</b>		
<b>Dues from Joint Venture entities</b>		
GIPL GIL JV	<b>25.27</b>	25.17
	<b>25.27</b>	<b>25.17</b>
<b>Unsecured, Considered doubtful</b>		
<b>Dues from Associates</b>	-	0.48
Modern Toll Roads Ltd	-	0.48
	<b>407.99</b>	<b>1,634.41</b>

## Notes to the Consolidated Financial Statements

For the year ended 31<sup>st</sup> March, 2022

(All figures are in lacs unless otherwise stated)

b) The break-up of share application money paid by the Company to related parties is as under :

Company Name	As at	
	March 31, 2022	March 31, 2021
i) Modern Toll Roads Limited	129.95	129.95
<b>Total</b>	<b>129.95</b>	<b>129.95</b>

	As at		As at	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
	Non- Current		Current	
<b>7.5 Cash and Bank Balances</b>				
<b>A Cash and cash equivalents</b>				
i) Balances with banks	-	-	199.37	1,763.48
ii) Cash on hand	-	-	1.16	1.12
<b>Total</b>	<b>-</b>	<b>-</b>	<b>200.53</b>	<b>1,764.60</b>
<b>B Other bank balances</b>				
i) Bank Balances (*)	-	-	2,648.48	2,579.54
ii) Debt service reserve account	-	-	10.16	9.99
iii) Fixed Deposit as margin for BG issued	2,381.11	2,310.56	-	-
iv) Less : Transferred to Other Financial Assets	(2,381.11)	(2,310.56)	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>2,658.64</b>	<b>2,589.53</b>
<b>Grand Total</b>	<b>-</b>	<b>-</b>	<b>2,859.17</b>	<b>4,354.13</b>

(\*) Bank balances are not freely available for use since the same is subject to monitoring and approval of consortium of lenders.

## 8 Deferred Tax Assets

	As at	
	March 31, 2022	March 31, 2021
<b>a) Deferred Tax Liability on account of :</b>		
Depreciation due to timing difference	-	(2,228.58)
Unrealised Gain on Mutual Fund	-	-
<b>b) Deferred Tax Asset on account of :</b>		
Depreciation due to timing difference	-	-
Employee benefits	-	59.41
Unabsorbed depreciation	-	-
Provision for replacement cost	-	875.74
Mat Credit Entitlement	-	1,183.83
Lease Liability	-	403.19
Deferred Tax Asset, net	-	293.59

Note : During the previous year holding company has opted for reduced tax rate as per section 115BAA of the Income Tax Act, 1961 as against the old rate applied by the Company earlier. Accordingly, the company has recognised Provision for Income Tax for the year and re-measured its balance of net Deferred tax assets/liability basis the rate prescribed in the said section. The remeasurement has resulted in a write down of the net deferred tax assets pertaining to mat credit entitlement of earlier years by Rs 2,686.50 lacs.



## Notes to the Consolidated Financial Statements

For the year ended 31<sup>st</sup> March, 2022

(All figures are in lacs unless otherwise stated)

In assessing the realisability of deferred income tax assets, Management considers whether some portion or all of the deferred income tax assets will not be realised. The ultimate realisation of deferred income tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. Management considers the scheduled reversals of deferred income tax assets, projected future taxable income, and tax planning strategies in making this assessment. Based on the level of historical taxable income and projections for future taxable income over the periods in which the deferred income tax assets are deductible, Management believes that the Company will realise the benefits of those deductible differences. The amount of the deferred income tax assets considered realisable, however, could be reduced in the near term if estimates of future taxable income during the carry forward period are reduced.

### 9 Other Assets

	As at		As at	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
	Non- Current		Current	
<b>i) Advance to contractor</b>				
Entity having significant influence	<b>123.54</b>	123.54	-	-
Provision for credit loss	<b>(123.54)</b>	(123.54)	-	-
Others Considered good	<b>2,800.22</b>	2,800.22	<b>35.85</b>	-
Others Considered doubtful	<b>73.94</b>	73.94	-	-
Provision for credit loss	<b>(73.94)</b>	(73.94)	-	-
ii) Prepaid expenses	-	53.69	<b>113.05</b>	259.11
iii) Statutory and other receivables	<b>8.70</b>	8.70	<b>307.92</b>	744.75
iv) Advance Income Tax (Net of Provision for Taxation)	<b>2,409.43</b>	4,342.81	-	-
v) Capital advances (*)	<b>1,326.95</b>	1,328.69	-	-
vi) Unbilled Revenue	-	-	<b>21.68</b>	-
vii) Prepaid Upfront Fees	<b>4.97</b>	51.52	<b>11.73</b>	32.90
Other Advances				
viii) Other advances - Considered good	-	0.13	<b>6.39</b>	136.38
Other advances - Considered doubtful	-	-	<b>782.50</b>	782.50
Less: Provision for doubtful advance	-	-	<b>(782.50)</b>	(782.50)
ix) Deposit with Customs (**)	-	772.63	-	-
<b>Total</b>	<b>6,550.27</b>	<b>9,358.39</b>	<b>496.62</b>	<b>1,173.14</b>

\* As required in the contract the Company is required to pay mobilisation advance towards the said contract which is to be recovered progressively from the bills presented by the EPC contractor. The balance amount of the said mobilisation advance to be recovered from Gammon Engineers & Contractors Private Limited stands at Rs.1326.95 lac (Previous year 1326.95 lac).

\*\* The SPV has filed a writ petition before Andhra Pradesh High Court against Custom Authorities for Cost recovery charges by the customs department for their staff posted in VSPL terminal. The matter is under trial before the High Court. Based on the stay by the High Court the Company has paid 50% amount under protest and provided the entire liability in the books. During the year, the Company has received Board Circular 02/2021-Cus dated 19.01.2021, in which para 8.5(d) and (f) states that no dues should be pending and the payment of cost recovery charges should be made in order to gain exemption from Custom Recovery Charges henceforth. Hence the Company has made entire payment of Custom demand as on date irrespective of pronouncement of the High Court Decision which is expected subsequently. An equivalent amount is being carried under provisions and not set off on account of pending Court matter.

## Notes to the Consolidated Financial Statements

For the year ended 31<sup>st</sup> March, 2022

(All figures are in lacs unless otherwise stated)

### 10 Inventories

	As at	
	March 31, 2022	March 31, 2021
Stores and Consumables	-	441.39
Raw materials	19.70	67.04
Less – Provision for Inventory write downs	(19.70)	-
	-	508.43

The disclosure of inventories recognised as an expense in accordance with paragraph 36 of Ind AS 2 is as follows:

	As at	
	March 31, 2022	March 31, 2021
Amount of inventories recognised as an expense	582.21	925.59
Amount of write – down of inventories recognised as an expense -(Boiler Ash)	-	2.26

### 11 Equity Share capital

	As at	
	March 31, 2022	March 31, 2021
<b>i) Authorised shares :</b>		
March 31, 2021: 1,25,00,00,000 Equity shares of Rs 2/- each	25,000.00	25,000.00
Dec 31, 2021 : 1,25,00,00,000 Equity Shares of Rs 2/- each		
<b>Total</b>	<b>25,000.00</b>	<b>25,000.00</b>
<b>ii) Issued and subscribed shares :</b>		
March 31, 2021: 94,26,40,974 Equity shares of Rs 2/- each	18,852.82	18,852.82
Dec 31, 2021: 94,26,40,974 Equity shares of Rs 2/- each		
<b>Total</b>	<b>18,852.82</b>	<b>18,852.82</b>
<b>iii) Paid-up shares :</b>		
March 31, 2021: 94,18,30,724 Equity shares of Rs 2/- each	18,836.61	18,836.61
Dec 31, 2021: 94,18,30,724 Equity shares of Rs 2/- each		
<b>Total</b>	<b>18,836.61</b>	<b>18,836.61</b>
<b>iv) Shares forfeited :</b>		
Amount received (including securities premium) in respect of 162,050 equity shares of Rs. 10/-	81.03	81.03
<b>Total</b>	<b>81.03</b>	<b>81.03</b>
<b>Total paid-up share capital (iii + iv)</b>	<b>18,917.64</b>	<b>18,917.64</b>

## Notes to the Consolidated Financial Statements

For the year ended 31<sup>st</sup> March, 2022

(All figures are in lacs unless otherwise stated)

	As at		As at	
	March 31, 2022 Number	March 31, 2021 Amount	March 31, 2022 Number	March 31, 2021 Amount
a) Reconciliation of the equity shares outstanding at the beginning and at the end of the period				
Balance, beginning of the period	<b>941,830,724</b>	18,836.61	<b>941,830,724</b>	18,836.61
Issued during the period	-	-	-	-
Balance, end of the period	<b>941,830,724</b>	18,836.61	<b>941,830,724</b>	18,836.61

b) Terms / rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 2/- per share. Each holder of equity shares is entitled to one vote per share. The shareholders are entitled to dividend in the proportion of their shareholding. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the company, after payment of all external liabilities. The distribution will be in proportion to the number of equity shares held by the shareholders.

c) Shares held by holding / ultimate holding company and /or their subsidiaries / associates

Out of equity shares issued by the Company, shares held by its holding / ultimate holding Company and /or their subsidiaries / associates are as follows:

	As at		As at	
	March 31, 2022 Number	March 31, 2021 Amount	March 31, 2022 Number	March 31, 2021 Amount
Equity shares of Rs. 2/- each fully paid up				
Gammon Power Limited	193,999,800	3,880.00	193,999,800	3,880.00
	193,999,800	3,880.00	193,999,800	3,880.00

d) Details of shareholders holding more than 5% shares in the Company

	March 31, 2022 Number	March 31, 2022 %	March 31, 2021 Number	March 31, 2021 %
	Gammon Power Limited	<b>193,999,800</b>	<b>20.60</b>	193,999,800
ICICI Bank Ltd	<b>60,499,998</b>	<b>6.42</b>	60,499,998	6.42
	<b>254,499,798</b>	<b>27.02</b>	<b>254,499,798</b>	<b>27.02</b>

e) As per the records of the Company, including its register of shareholders/members and other declarations received from shareholders, the above shareholding represents legal ownerships of the shares.

## Notes to the Consolidated Financial Statements

For the year ended 31<sup>st</sup> March, 2022

(All figures are in lacs unless otherwise stated)

f) Name of the Promoter	As at Mar-22	As at Mar-21
Gammon Power Limited		
No of Shares	193,999,800	193,999,800
% of total shares	20.60	20.60
% change 2021-22	-	
<b>Total No of Shares issued and Subscribed</b>	<b>941,830,724</b>	<b>941,830,724</b>

### g) Shares reserved under options to be given.

60,000 equity shares (March 31, 2021: 60,000 equity shares ) have been reserved for issue as Employee Stock Options. For details refer Note 12A.

## 12 Other Equity

	As at	
	March 31, 2022	March 31, 2021
i) Retained Earnings	(148,840.79)	(56,509.15)
ii) General Reserve	23.95	23.95
iii) Security Premium Reserve	56,369.47	56,369.47
iv) Employee Stock Option Outstanding	11.52	11.52
	<b>(92,435.85)</b>	<b>(104.21)</b>

### A Employees Stock Options Scheme ('ESOP'):-

During the financial period ending Dec'13 the Company had instituted an ESOP Scheme "GIPL ESOP 2013", approved by the shareholders vide their resolution dated September 20, 2013, as per which the Board of Directors of the Company granted 6,160,000 equity-settled stock options to the eligible employees. Pursuant to the ESOP Scheme each options entitles an employee to subscribe to 1 equity share of Rs. 2 each of the Company at an exercise price of Rs 2 per share upon expiry of the respective vesting period which ranges from one to four years commencing from October 1, 2014.

The details of ESOP's granted under the aforesaid ESOPs Schemes are summarized herein under :

Particulars	Year ended Mar'22	Year ended Mar'21
Grant Date	23-Sep-13	23-Sep-13
Market Price considered (Rupees)	6.80	6.80
Exercise Price of Options granted during the period (Rs)	2.00	2.00
Options outstanding at the beginning of the period	60,000	60,000
Options granted during the period	-	-
Options lapsed /forfeited during the period	-	-
Options vested during the period	-	-
Exercised during the year	-	-
Outstanding at the end of the year	60,000	60,000
Exercisable at the end of the year	60,000	60,000

## Notes to the Consolidated Financial Statements

For the year ended 31<sup>st</sup> March, 2022

(All figures are in lacs unless otherwise stated)

The fair value has been calculated using the Black-Scholes Option Pricing Model and the significant assumptions and inputs to estimate the fair value of options are as follows:

Particulars	First vesting	Second vesting	Third vesting	Fourth vesting
Dividend yield (%)	0.00%	0.00%	0.00%	0.00%
Expected volatility (%)	39.31%	44.25%	42.29%	41.78%
Risk-free interest rate (%)	9.86%	9.02%	8.96%	9.03%
Grant date	9/23/2014	9/23/2013	9/23/2013	9/23/2013
Vesting date	10/1/2014	10/1/2015	10/1/2016	10/1/2017
Fair value of share price (Rs.)	6.40	6.40	6.40	6.40
Exercise price (Rs.)	2.00	2.00	2.00	2.00

### 13 Financial Liabilities (at amortised cost)

#### 13.1 Long term Borrowings

	As at		As at	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
	Non- Current		Current Maturities	
<b>I Term Loans (secured)</b>				
i) Indian rupee loans from banks	-	22,254.48	-	4,513.61
ii) Term loan from Financial Institutions	-	15,069.38	-	102.59
iii) Vehicle Loan from Bank	-	36.31	-	10.72
	-	<b>37,360.17</b>	-	<b>4,626.92</b>
Less: disclosed in Other Current Liabilities	-	-	-	(4,626.92)
	-	<b>37,360.17</b>	-	-

#### A) Term Loans

##### I VSPL

#### a) Terms and nature of security of secured term loans [including current maturities]:

Term loan from bank and financial institution is secured by way of first charge on the movable and immovable properties of the Company, both present and future, subject to the provisions of the License Agreement with the Concessionaire, first charge on the entire cash flows, receivables, book debts and revenues of the Company of whatsoever nature and whenever arising, both present and future subject to the provisions of the License Agreement and first charge on all the Trust and Retention Account, DSR and any other reserves and other bank accounts.

Pledge of 50.2% of paid-up share capital of the Company held by Gammon Infrastructure Projects Limited. Also secured by way of assignment of all project contracts (including license agreement, documents, insurance policies relating to all assets of the project, rights, titles, permits/approvals, clearances and interests of the Company).



## Notes to the Consolidated Financial Statements

For the year ended 31<sup>st</sup> March, 2022

(All figures are in lacs unless otherwise stated)

IDFC Bank Loan: Repayment of loan started from 1 July 2012 and is payable in structured quarterly installments up to 1 April 2027. Rate of interest applicable to IDFC is equivalent to 2% p.a over and above the benchmark. Effective interest rate 11.3% p.a. at March 31, 2020 (previous year: EIR 11.2% p.a. as at March 31, 2019)

Housing Development Finance Corporation Limited : Repayment of loan started from 1 October 2015 and is payable in structured quarterly installments up to 1 April 2027. Rate of interest applicable to HDFC is equivalent to 2.25% p.a over and above the benchmark.

TATA Motors Finance Solutions Limited : Repayment of loan started from 11 March 2021 and is payable in structured quarterly installments up to 11 January 2024. Rate of interest applicable is 9.5% p.a.

### b) Vehicle Loan from Bank

The Vehicle loan is taken for a tenure of eight years , repayable in EMI of Rs 125000/- per month. Vehicle loans is secured against the same vehicle for which loan is taken.

### c) Moratorium Availed during the year

During the year the Company has availed moratorium as per the COVID 19 Regulatory Package announced by RBI (i.e., from 1 March 2020 to 31 August 2020) which gives relaxation for payment of instalment to the Lender and hence aforesaid moratorium period is excluded for calculation of default by the company.

## II SSRPL

During the year 2019-20, the Company had received a recall notice from one of the lenders. The facility is marked as a Non-Performing Asset (NPA) in September 2019. Therefore the loan recalled by the lender is treated as current and disclosed under Current Liabilities.

On account of the company being marked as non performing assets by the lenders no interest has been debited by majority of the lenders. The company has made provision for interest on the basis of the last sanction and last revision of terms. Therefore the loan balances and finance cost are subject to confirmation and consequent reconciliation, if any.

During the previous year although the lead banker and another banker has recalled the facility the company has not received notice from IIFCL therefore the loan balances were shown as per original schedule.

Term loan from Bank and Financial Institution

The above term loan from financial institution is secured by a first mortgage and charge on all the Company's movable properties, immovable properties, tangible assets, intangible assets, and all bank accounts (including escrow accounts)

Term loan from banks carries an interest rate at MCLR 5 years plus an interest spread of 295 basis points per annum.

The company has not received Bank Confirmations for the year ended March 31,2022. Therefore the above loan balances are subject to confirmation and consequent reconciliation, if any.

## III PREL

On account of the company being marked as NPA w.e.f 31st December 2017 by the lenders , no interest has been charged by the lead banker. The company has made provision for interest on the basis of the last sanction and last revision of terms. Therefore the loan balance and finance cost are subject to confirmation and consequent reconciliation , if any. The lead bank / other consortium Lender

## Notes to the Consolidated Financial Statements

For the year ended 31<sup>st</sup> March, 2022

*(All figures are in lacs unless otherwise stated)*

has served notice dated 27<sup>th</sup> September, 2021 / 22<sup>nd</sup> November, 2021 respectively under SARFAESI Act, 2002 recalling the credit facilities ( Term loan and Cash credit ) to which the company has suitably replied. Therefore the loan recalled by the lender is treated as current and disclosed under other financial Liabilities

### **Term Loan from Bank**

The above term loan from bank is secured by a first mortgage and charge on all the Company's immovable properties, movable properties, tangible assets, intangible assets, and all bank accounts (including escrow accounts) except fuel and receivables. Fuel and receivables shall entail second charge.

Term loan from Central Bank of India carries an interest of MCLR (1 year) plus spread of 295 basis points.

Term loan from Corporation Bank carries an interest of MCLR (1 year) plus spread of 270 basis points. Further if Company is paying higher Rate of Interest (ROI) to Central Bank of India then same ROI will apply to term loan from Corporation Bank as well.

The agreement entered into by the Company with the Karkhana for operation & maintenance of the power plant and Minimum Guaranteed Amount in the previous years was subject to lenders approval. The lenders did not approve the arrangement and finally the two parties to the agreement also did not adhere to the terms. Therefore finally all the transactions have been recorded in the books for and on behalf of the Company as if there was no such agreement. The claims and counter claims raised by either party has been recorded either as receivable or as a contingent liability as claims not acknowledged as debts. This has also significantly impacted the relations with the lenders as the agreement entered into provided for the payment of minimum guarantee which would have ensured that the lender's dues are paid.

## **IV ICTPL**

### **a) The above term loan is secured by:**

- i) first mortgage and charge by way of English mortgage on the immovable property, both present and future;
  - ii) first charge by way of hypothecation on all tangible movable assets, both present and future;
  - iii) a first floating charge on receivables;
  - iv) first charge on all intangible assets, both present and future;
  - v) pledge of equity share of the company aggregating to 16.24% of the paid up and voting equity share capital.
- b) The balance term loan was repayable by December, 2024 in quarterly installments however the entire loan is recalled.
  - c) The interest rate applicable to the Company is the highest of the rates individually determined by each member of the lenders consortium. All lenders determine the interest rate at their respective Bank Prime Lending rate less 100-125 basis points. The interest rate as on the date of these financials was 13.25% p.a. (PY 13.25% p.a.)
  - d) The company had taken a stand that repayments made by the company will be allocated first towards interest and then towards principal.

## Notes to the Consolidated Financial Statements

For the year ended 31<sup>st</sup> March, 2022

(All figures are in lacs unless otherwise stated)

- e) On account of the company being marked as non performing assets by the lenders, no interest has been debited by majority of the lenders. The company has made provision for interest on the basis of the last sanction and last revision of terms. Therefore, the loan balances and finance cost are subject to confirmation and consequent reconciliation, if any with the lenders.

However some of the lenders have charged interest and penal interest in its loan statement, which the company has disputed and not accounted since the company is computing interest based on the last sanction terms with the lenders. Hence the difference of Rs. 2,577.82 lac between loan statement/confirmation provided by lenders and loan balance in books is disclosed as contingent liability.

- f) The facility is marked as a Non-Performing Asset (NPA) on December 3, 2013. The Company is defaulting in repayment of term loan to the banks and financial institutions. The company has also received a recall notice from the lenders. Therefore the loan is treated as current.

Further the entire loan amount is in default and therefore separate continuing default is not disclosed.

- g) The company has not taken any fresh loan from banks and financial institutions during the year.

### B) The schedule for repayment of the term loan is as under :

Particulars	31-Mar-22	31-Mar-21
Instalments payable within 1 year		
Credit Facilities Recalled	<b>280,300.08</b>	218,743.88
Overdue Installment	-	3,370.30
Current Maturities	-	4,626.92
Instalments payable between 2 to 5 years	-	18,642.53
Instalments payable beyond 5 years	-	18,817.62
<b>Total</b>	<b>280,300.08</b>	<b>264,201.25</b>

(Note: Above repayment schedule includes Long term borrowings , Current maturities, overdue principal and credit facilities recalled by the lenders)

### C) Details of continuing defaults with respect to principal repayments are as under:

As at March 31, 2022

The facility is marked as a Non-Performing Asset (NPA). The Group is defaulting in repayment of term loan to the banks and financial institutions. The Group has also received a recall notice from the lenders. Therefore the loan is treated as current. Entire outstanding balance including accrued interest of Rs. 280300.08 lacs shall be considered as continuing default.

As at March 31, 2021	Facilities Recalled	1 to 90 days	91 to 180 days
PREL	-	527.00	527.00
ICTPL	47,711.25	-	-
SSRPL	39,986.67	37.88	37.88
	365 days & above	181 to 365 days	
PREL	1,054.00	1,158.92	
ICTPL	-	-	
SSRPL	18.88	8.75	

## Notes to the Consolidated Financial Statements

For the year ended 31<sup>st</sup> March, 2022

(All figures are in lacs unless otherwise stated)

### D) List of defaults incurred during the year and remedied by the balance sheet date

As at March 31, 2021	1 – 90 days	91 to 180 days	181 to 365 days	365 days & above
PREL – Principal	-	-	28.58	461.97
VSPL – Principal	24.49	-	-	-
VSPL – Interest	1.71	-	-	-

### 13.2 Other Financial Liabilities (at amortised cost)

	As at		As at	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
	Non- Current		Current	
i) Credit facility recalled by lenders of SPV's	-	-	<b>280,300.08</b>	218,743.88
ii) Overdue Installment	-	-	-	3,370.29
iii) Bank Overdraft	-	-	-	83.55
iv) Interest accrued				
to banks and financial institutions	-	-	-	8,379.22
to others	-	-	<b>0.21</b>	14.41
v) Liabilities towards capital expenditure (including capital advance)	<b>1,500.00</b>	1,500.00	<b>17.65</b>	135.20
vi) Other dues – related parties	-	-	<b>571.11</b>	580.27
vii) Advance received for sale of equity shares	-	-	<b>265.20</b>	265.20
viii) Settlement Claim Payable (refer note (b) below)			<b>4,000.00</b>	-
ix) Other Liabilities	-	-	<b>1,835.46</b>	2,225.41
x) BG Encashment and Other dues to sub contractor	<b>3,732.77</b>	3,732.77	<b>7,220.00</b>	7,220.00
xi) Accrued expenses	-	-	<b>6.29</b>	4.47
<b>Total</b>	<b>5,232.77</b>	<b>5,232.77</b>	<b>294,216.00</b>	<b>241,021.90</b>

## Notes to the Consolidated Financial Statements

For the year ended 31<sup>st</sup> March, 2022

(All figures are in lacs unless otherwise stated)

**a) Details of continuing defaults with respect to interest on loans are as under:**

**As at March 31, 2022 – Refer note 13(C)**

<b>As at March 31, 2021</b>	<b>Facilities Recalled</b>	<b>1 – 90 days</b>	<b>91 to 180 days</b>
PREL	–	515.34	504.90
ICTPL	43,487.63	–	–
SSRPL	9,506.34	550.35	545.41
	181 to 365 days	365 days & above	
PREL	983.86	1,487.22	
ICTPL	–	–	
SSRPL	1,035.54	2,244.63	

- b) The Company was engaged in arbitration proceedings with BIF India Holdings PTE Limited along with its Project companies ( as Claimants ) related to their Indemnification / Tax related claims . Without any admission of liability , the parties have agreed for a full and final settlement of the released claims vide agreement dated 20th May,2022 according to which the Company is liable to pay the Claimants a sum of Rs 40 Cr ( plus applicable interest ) and tax related claims in a manner as set out in the agreement. The said amount of Rs 40 Cr has been recognized as expense in the books under "other expenses" while the tax related claims are continued to be shown under contingent liabilities pending final settlement.

### 13.3 Short Term Borrowings (at amortised cost)

	<b>As at</b>	
	<b>March 31, 2022</b>	<b>March 31, 2021</b>
Bank overdraft (repayable on demand)	–	5,587.59
Current Maturity of Long term borrowings		4,626.92
Loan from Vizag sea port	<b>9,277.41</b>	–
Loan from Others	<b>1,711.41</b>	1,349.48
<b>Total</b>	<b>10,988.82</b>	<b>11,563.99</b>
The above amount includes		
Secured borrowings	–	10,214.51
Unsecured borrowings	<b>10,988.82</b>	1,349.48
	<b>10,988.82</b>	<b>11,563.99</b>

**(I) PREL**

Cash credit from banks are against first charge on inventory, receivables, fuel stock and other current assets and second charge on fixed assets of the Company.

Cash credit from Central Bank of India carries an interest of MCLR (1 year) plus spread of 345 basis points.

Cash Credit from Corporation Bank carries an interest of MCLR (1 year) plus spread of 320 basis points. Further if Company is paying higher Rate of Interest (ROI) to Central Bank of India then same ROI will apply to term loan from Corporation Bank as well.

## Notes to the Consolidated Financial Statements

For the year ended 31<sup>st</sup> March, 2022

*(All figures are in lacs unless otherwise stated)*

The lead bank / other consortium Lender has served notice dated 27<sup>th</sup> September, 2021 / 22<sup>nd</sup> November, 2021 respectively under SARFAESI Act, 2002 recalling the credit facilities ( Term loan and Cash credit ) to which the company has suitably replied. Therefore the loan recalled by the lender is treated as current and disclosed under other financial Liabilities.

### (II) GIPL

a) The Company had vide letter dated 30<sup>th</sup> July, 2021 conveyed its acceptance to the terms and condition of OTS (One time Settlement) sanctioned vide letter dated 29<sup>th</sup> June, 2021 by one of its lenders for all its dues against the Fund / Non Fund based limits provided and has also paid the full OTS amount of Rs 835 lacs as per the said sanctioned terms. Accordingly, the company has given effect of the above OTS in the books of accounts. This has resulted in the write back of Rs.1401.45 lacs up against the dues of the bank after adjustment of Lien marked fixed deposit against the Bank guarantees issued by the Bank on behalf of the company.

b) Details of ICD from VSPL :

During the previous year the Company has entered into a Inter Company agreement with its subsidiary, Vizag Sea Port Limited (VSPL) for settlement of Principal / Interest dues payable by the company. In terms of the agreement , an amount of Rs 2886.93 lacs representing interest payable by the company upto March 31, 2020 has been written back as it is no longer payable. Further it has been agreed that, no interest for the current year is to be charged.

Accordingly , the impact of the above agreement has been taken in the books of the company in the last quarter of the previous year.

In view of the long overdue of Principal and interest the Company has given consent for assignment of the arbitration award of Rs.9300 Lacs approx. in respect of its erstwhile SPV, Patna Bauxar Highways Limited. and executed Power of Attorney authorizing the VSPL to fully appropriate the award amount upon receipt under execution towards the ICD outstanding dues.

### (iv) Details of continuing defaults are as under:

#### PREL

##### As at March 31, 2021

During the year, Central Bank of India has debited the cash credit facility account by Rs.502.27 lac. The company In the absense of any information on the apportionment of debit by the bank has apportioned this debit against the interest payment for the entire year and hence the same is not shown as a default.

During the year, Union Bank of India (earlier, Corporation Bank) has debited the cash credit facility account by Rs.335 lac and has also passed reclass entry with Term Loan account amounting to Rs 463 lac on 29<sup>th</sup> December, 2020. The company In the absense of any information on the apportionment of debit by the bank has apportioned this debit against the interest payment and hence the same is not shown as a default till 29<sup>th</sup> December, 2020 . However with the effect of this reclass entry , an amount of Rs 161 lac has been classified as principal default and interest falling due thereafter till 31<sup>st</sup> March, 2021 as interest default.

During the previous year, Central Bank of India has debited the cash credit facility account by Rs 700 lakh. The company In the absense of any information on the apportionment of debit by the bank has apportioned this debit against the interest payment for the entire year and hence the same is not shown as a default.



## Notes to the Consolidated Financial Statements

For the year ended 31<sup>st</sup> March, 2022

(All figures are in lacs unless otherwise stated)

### 13.4 Trade Payables (at amortised cost)

	As at	
	March 31, 2022	March 31, 2021
i) Trade payables – Micro, small and medium enterprises	-	-
ii) Trade payables – Others	16,054.79	18,568.50
<b>Total</b>	<b>16,054.79</b>	<b>18,568.50</b>

#### Trade Payable Ageing Schedule

( Ageing from bill date )

As at March 31, 2022

Range of O/s period	MSME		Others	
	Undisputed	Disputed	Undisputed	Disputed
Unbilled	-	-	4,523.32	-
Not Due	-	-	-	-
Less than 1 year	-	-	2,093.72	-
1-2 years	-	-	654.25	14.02
2-3 year	-	-	265.63	-
> 3 years	-	-	7,020.95	1,482.91
<b>Total</b>	<b>-</b>	<b>-</b>	<b>14,557.86</b>	<b>1,496.93</b>

As at March 31, 2021

Range of O/s period	MSME		Others	
	Undisputed	Disputed	Undisputed	Disputed
Unbilled	-	-	3,777.00	-
Not Due	-	-	2,034.53	-
Less than 1 year	-	-	3,943.10	-
1-2 years	-	-	285.91	14.02
2-3 year	-	-	547.20	-
> 3 years	-	-	6,483.83	1,482.91
<b>Total</b>	<b>-</b>	<b>-</b>	<b>17,071.58</b>	<b>1,496.93</b>

#### a) Amounts due to Micro, Small and Medium Enterprises

As per the information available with the Company, there are no Micro, Small and Medium Enterprises, as defined in the Micro, Small, Medium Enterprises Development Act, 2006, to whom the Company owes dues on account of principal amount together with interest and accordingly no additional disclosures have been made.

The above information regarding Micro, Small and Medium Enterprises have been determined to the extent such parties have been identified on the basis of information available with the Company. This is relied upon by the auditors.

## Notes to the Consolidated Financial Statements

For the year ended 31<sup>st</sup> March, 2022

(All figures are in lacs unless otherwise stated)

### 14 Long Term Provisions

	As at		As at	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
	Non- Current		Current	
<b>i) Provision for employee benefits :</b>				
Leave Encashment	8.07	104.84	0.81	59.01
Gratuity	19.38	122.07	13.73	46.06
<b>ii) Other provision</b>				
Provision for Project Obligations	28.74	3,173.82	113.73	113.73
Provision for taxation	-	-	1,955.32	1,955.32
Provision for demurrage charges	-	-	-	60.84
Provision for Risk and Contingencies (*)			145.31	145.31
<b>Total</b>	<b>56.19</b>	<b>3,400.73</b>	<b>2,228.90</b>	<b>2,380.27</b>

\*The company has made a provision on prudence basis towards the GST tax credits of prior years.

#### a) Provision for Project Obligations

Current portion of Provision for Project Obligations is on account of provision made towards obligations to the purchaser of equity shares of SPV's towards project related expenditure.

#### b) Provision for decommissioning liability

In accordance with PDA entered by Company with Karkhana, at the end of 25 years after commercial operation Company is required to incur the expenditure to bring the plant back to its normal working condition which will result in decommissioning Obligation on the part of the Company maximum upto Rs 200 lac. Accordingly, Company has created provision for the said expenditure to be incurred in future in accordance with Ind AS 16 " Property Plant and Equipment"

#### c) Provision for replacement cost

Provision for replacement cost represents the contractual obligation of the Company to restore the project facilities and services developed under the Agreement to a specified level of serviceability during and at the end of the licensing period. Estimate of the provision is measured using a number of factors, such as contractual requirements, technology, expert opinions and expected price levels.

## Notes to the Consolidated Financial Statements

For the year ended 31<sup>st</sup> March, 2022

(All figures are in lacs unless otherwise stated)

### Movements in provisions are tabulated below:

Disclosure under IND AS 37 " Provisions, Contingent Liabilities and Contingent Assets"

Particulars	Opening	Addition (Including on account of finance cost)	Deconsolidation of subsidiary/ Utilisation/ Reversal	Closing
<b>Provision for Project Obligations</b>				
Current Year (as at March 2021)	3,287.55	351.96	(3,497.04)	142.47
Previous Year ( as at March 2021)	2,765.86	521.69	-	3,287.55
<b>Provision for demurrage charges</b>				
Current Year (as at March 2021)	60.84		(60.84)	-
Previous Year ( as at March 2020)	89.57	19.83	48.56	60.84

- b) Disclosure in accordance with Ind AS – 19 "Employee Benefits", of the Companies (Indian Accounting Standards) Rules, 2015.

The company has carried out the actuarial valuation of Gratuity and Leave Encashment liability under actuarial principle, in accordance with Ind AS 19 – Employee Benefits.

Gratuity is a defined benefit plan under which employees who have completed five years or more of service are entitled to gratuity on departure from employment at an amount equivalent to 15 days salary (based on last drawn salary) for each completed year of service. The Company's gratuity liability is unfunded.

- i) The amount recognised in the balance sheet and the movements in the net defined benefit obligation of Gratuity over the year is as follow:

Particulars	As on March 31, 2022	As on March 31, 2021
<b>(a) Reconciliation of opening and closing balances of Defined benefit Obligation</b>		
Defined Benefit obligation at the beginning of the year	<b>168.14</b>	156.55
Current Service Cost	<b>3.22</b>	13.75
Interest Cost	<b>2.09</b>	8.96
Actuarial (Gain) /Loss	<b>(4.17)</b>	(8.90)
Liability transferred In / (out) on account of transfer of employees	<b>4.29</b>	-
Deconsolidation of subsidiary	<b>(101.60)</b>	-
Other Adjustment	<b>(0.51)</b>	-
Benefits paid	<b>(34.76)</b>	(2.24)
<b>Defined Benefit obligation at the year end</b>	<b>36.71</b>	<b>168.14</b>

## Notes to the Consolidated Financial Statements

For the year ended 31<sup>st</sup> March, 2022

(All figures are in lacs unless otherwise stated)

Particulars	As on March 31, 2022	As on March 31, 2021
<b>(b) Reconciliation of opening and closing balances of fair value of plan assets</b>		
Fair Value of plan assets at the beginning of the year	7.07	-
Expected return on Plan Assets	0.27	-
Actuarial Gain/ (Loss)	-	-
Employer Contribution	-	-
Benefits Paid	(3.74)	-
<b>Fair Value of Plan Assets at the year end</b>	<b>3.60</b>	<b>-</b>
<b>(b) Expenses recognized during the year ( Under the head " Employees Benefit Expenses )</b>		
Current Service Cost	3.22	13.75
Interest Cost	2.09	8.96
Adjustments to the Fund Balance	(7.07)	
Actuarial (Gain)/Loss	(4.17)	(8.90)
<b>Net Cost</b>	<b>(5.92)</b>	<b>13.81</b>
<b>ii) Actuarial assumptions</b>		
<b>Particulars</b>	<b>As on March 31, 2022</b>	<b>As on March 31, 2021</b>
Mortality Table (LIC)	<b>Indian Assured Lives 2006-08</b>	
Discount rate (per annum)	<b>7%-7.10%</b>	6.75%-6.81%
Expected rate of return on Plan assets (per annum)	<b>NA</b>	NA
Rate of escalation in salary (per annum)	<b>6.00%</b>	6.00%
Withdrawal rate:		
upto age of 34	<b>3%</b>	3%
upto age of 35-44	<b>2%</b>	2%
upto age 45 & above	<b>1%</b>	1%
Retirement age	<b>60 years</b>	60 years

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

There is no minimum funding requirement for a gratuity plan in India and there is no compulsion on the part of the company fully or partially pre-fund the liabilities under the plan. Since the liabilities are unfunded there is no asset liability matching strategy devised for the plan.

In the absence of adequate details, sensitivity analysis is not disclosed.

## Notes to the Consolidated Financial Statements

For the year ended 31<sup>st</sup> March, 2022

(All figures are in lacs unless otherwise stated)

### 15 Deferred Tax Liabilities (Net)

(₹ in Lakhs)

	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
	Non- Current		Current	
Deferred Tax Liability on account of :				
Depreciation	1,310.38	1,085.77	-	-
Unrealised Gain on Mutual Fund	329.98	291.33	-	-
Deferred Tax Asset on account of :				
Tax Disallowances -u/s 43B	(3.90)	(19.00)	-	-
Depreciation	(78.79)	(81.48)	-	-
Lease Liability	(8.36)	(3.89)	-	-
<b>Total</b>	<b>1,549.31</b>	<b>1,272.73</b>	<b>-</b>	<b>-</b>

Since the Company is facing financial crunch and is not able to make repayment to its lenders w.r.t principal and interest. Therefore on prudence , no deferred Tax Asset is created in the books on the disallowance of interest not paid to bank and Financial Institution under section 43B of Income Tax Act , 1961 as at March 31, 2021.

### 16 Other Liabilities

(₹ in Lakhs)

	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
	Non- Current		Current	
i) Mobilization Advance – MPRDC -NCL	399.90	399.90	-	-
ii) Duties and Taxes payable	-	-	240.96	338.32
iii) Government grants	-	26,323.56	-	-
iv) Unearned revenue	-	-	-	83.82
v) Advance from customers	-	-	350.92	977.19
vi) Deferred Income -Guarantee Margin	2,361.54	2,683.84	461.83	620.72
vii) Other Payables	38.50	38.50	77.35	849.92
viii) Award received from NHAI	-	-	1,470.00	1,470.00
<b>Total</b>	<b>2,799.94</b>	<b>29,445.80</b>	<b>2,601.06</b>	<b>4,339.97</b>

### 17 Liabilities for current tax (net)

(₹ in Lakhs)

	As at March 31, 2022	As at March 31, 2021
Provision for taxation, net of advance tax	1.70	1.70
<b>Total</b>	<b>1.70</b>	<b>1.70</b>

## Notes to the Consolidated Financial Statements

For the year ended 31<sup>st</sup> March, 2022

(All figures are in lacs unless otherwise stated)

### 18 Revenue from Operations

	(₹ in Lakhs)	
	2021-22	2020-21
<b>a) Revenue from port operations</b>		
i) Operating and Maintenance Income	-	32.64
ii) Revenue from power projects	<b>2,064.93</b>	3,114.06
iii) Revenue from port operations refer note (i) below	<b>14,695.86</b>	19,057.17
<b>Total Operating Revenue</b>	<b>16,760.79</b>	<b>22,203.87</b>
<b>b) Revenue as per INDAS 115- " Revenue Recognition"</b>	-	586.06
<b>c) Other Operating Revenue</b>		
i) Finance Income – Annuity Arrangement	-	-
ii) Scrap sales	<b>1,044.72</b>	1,330.89
iii) Other miscellaneous income	<b>19.74</b>	75.39
<b>Total Other Operating Revenue</b>	<b>1,064.46</b>	<b>1,406.27</b>
<b>Total</b>	<b>17,825.25</b>	<b>24,196.20</b>

i) The company has entered into a revenue sharing agreement with Mumbai Port Trust (MbPT) wherein it is required to share 55% of the revenue earned during the year with MbPT and retain the balance 45% of the revenue share. Accordingly, the revenue of 4,743.38 lac (P.Y. 3,194.20 lac) booked during the year is after netting out the revenue share of Rs. 5,935.92 lac (P.Y. Rs.3,863.60 lac) payable to MbPT.

#### ii) Disclosures as required by Appendix D of Ind AS 115 relating to "Service Concession Arrangements: Disclosures"

##### a) Description of the Arrangement along with salient features of the project:

###### SSRPL

Sidhi Singrauli Road Project Limited is incorporated under the Companies Act, 1956, on April 24, 2012, as a subsidiary of Gammon Infrastructure Projects Limited to provide, to undertake and carry on the business of four laning of Sidhi Singrauli section of National Highway No.75E from km. 83/4 to km 195/8 in the State of Madhya Pradesh on design, build, finance, operate and transfer basis.

**Obligations of Operations and maintenance** - Since the Construction of the Road is under progress there is no current Obligation of Operation and Maintenance of the Road. However as per Concession Agreement with MPRDC the Company is required to carry out operations and maintenance on the road annually with an obligation to carry out Period maintenance in terms of the Concession at regular intervals after the Completion of Construction activity and receipt of Commercial Operation Date Certificate.

**Changes to the Concession during the period** - Attention is drawn to note 31 (b) relating to status of the project.

**Classification of the Concession** - The Company has applied the principles enumerated in Appendix "C" of IND AS 115 and has classified the arrangement as a tolling arrangement resulting in recognition of an Intangible Asset.



## Notes to the Consolidated Financial Statements

For the year ended 31<sup>st</sup> March, 2022

*(All figures are in lacs unless otherwise stated)*

### VSPL

**Vizag Seaport Private Limited** one of the SPV of the Group has entered into a license agreement ("the Agreement") with Visakhapatnam Port Trust (VPT) for construction and license out equipment operation management and maintenance of two multi purpose berths EQ 8 and EQ 9 in the northern arm of inner harbour at Visakhapatnam Port for handling Coal, Lime Stone, Rock Phosphate, Sulphur and other bulk cargo or General cargoes or container or liquid bulk cargo (non-hazardous) on Build, Operate and Transfer (BOT) basis for the period of 30 year concession (including construction period of two years). The license agreement with VPT was signed on 28 November 2001 for a period of 30 years. The Company has received rights to carry out cargo related activity over the license period. The premature termination is permitted only upon the happening of force majeure events or upon the parties defaulting on their respective obligations.

**Obligations of Operations and maintenance** - The Company is required to handover the vacant and peaceful possession of project berths at the end of the license period and transfer all its rights, titles and interests in the assets comprised in the project facilities and services as specified in the license agreement to VPT at terminal value specified in the agreement.

The Company at its own cost has to replace the equipment well ahead of the due dates as per the equipment replacement plan given at the Agreement. The Company at its own cost, promptly and diligently repair, replace or restore any of the project facilities and services or part thereof which may be lost, damaged or destroyed.

**Changes to the Concession during the period** - There are no changes to the concession agreement during the year

**Classification of the Concession** - The Company is entitled to collect the revenues from operating and maintenance of the project berths from user during the licensing period. The Company is required to pay the royalty to VPT at 17.111% of certain gross revenues on monthly basis during the licensing period. Having regard to the terms of the arrangement, the right to receive the revenues has been classified as an intangible assets/intangible assets under development (i.e. "Service concession assets") under the head intangible assets. The Company has recognized the following service concession revenue and development costs for increase in capacity.

### ICTPL

**Indira Container Terminal Private Limited** has signed a License Agreement ('LA') with the Board of Trustees of the Port of the Mumbai ('MbPT') on December 3, 2007 for operation and management including necessary developments, modifications and augmentation of facilities, of the Ballard Pier Station Container Terminal ('BPS') and development, construction, operation and management of an Offshore Container Terminal ('OCT') in the Mumbai harbour to be implemented in accordance with the Major Port Trusts Act, 1963 and the Guidelines for Private Sector Participation through Build, Operate & Transfer (BOT) basis. Pursuant to detailed negotiation with MbPT on the concession agreement for the Offshore Container Terminal, the parties have finally agreed in principal to enter into a settlement agreement between Board of Trustees of MbPT, Company and the lenders.

**Obligations of Operations and maintenance** - The Company is required to carry out operations and maintenance on the berth annually with an obligation to carry out Periodic maintenance in

## Notes to the Consolidated Financial Statements

For the year ended 31<sup>st</sup> March, 2022

(All figures are in lacs unless otherwise stated)

terms of the Concession at regular intervals.

**Changes to the Concession during the period** – During the previous year, the Company has finally decided to capitalize the expenditure as intangible asset being the right to operate the berth facility for a fee. This was done pursuant to the ongoing negotiations and discussions around the fact that the project could not be commissioned as per the original plan. The concession period may get revived after the finalization of the Supplementary Agreement.

**Classification of the Concession** – The Company has applied the principles enumerated in Appendix C of Ind AS 115 and has classified the arrangement as a OCT arrangement resulting in recognition of an Intangible Asset. Revenue is recognised during the construction period as revenue from construction services with the corresponding debit to Intangible assets under development. Revenue is recognised on cost plus margin basis.

### iii) Recognition of Construction services revenue and costs:

	(₹ in Lakhs)	
	2021-22	2020-21
Revenue recognised	-	32.64
Cost incurred during the period	-	47.86

### iv) Disclosure in accordance with Ind AS – 115 "Revenue Recognition Disclosures", of the Companies ( Indian Accounting Standards) Rules, 2015

#### a) Revenue disaggregation

##### (i) Major Service Type

	(₹ in Lakhs)	
	2021-22	2020-21
Construction activity	-	32.64
Power generation and supply	2,064.93	3,114.06
Port related services	14,695.86	19,057.17
	<b>16,760.79</b>	<b>22,203.87</b>

##### (ii) Customer Type

	(₹ in Lakhs)	
	2021-22	2020-21
Government Undertakings	4,286.12	5,276.40
Non Government Undertakings	12,474.67	16,927.46
	<b>16,760.79</b>	<b>22,203.87</b>

##### (iii) Geographical regions

	(₹ in Lakhs)	
	2021-22	2020-21
In India	16,760.79	29,026.62
Outside India	-	-

## Notes to the Consolidated Financial Statements

For the year ended 31<sup>st</sup> March, 2022

(All figures are in lacs unless otherwise stated)

	(₹ in Lakhs)	
	2021-22	2020-21
	<b>16,760.79</b>	<b>29,026.62</b>
<b>b) Contract Balances</b>		
	(₹ in Lakhs)	
	2021-22	2020-21
Advance from Customers- Contractula Liabilities	<b>350.92</b>	977.19
Unbilled Revenue	<b>21.68</b>	-
<b>c)</b> Performance to be done in next year is uncertain based on the uncertainty of the project as detailed in note no. 34 below.		

## Notes to the Consolidated Financial Statements

For the year ended 31<sup>st</sup> March, 2022

(All figures are in lacs unless otherwise stated)

### 19 Other Income

	(₹ in Lakhs)	
	2021-22	2020-21
i) Interest Income		
On Fixed Deposits with Banks	81.79	88.76
On Income Tax Refund	31.63	17.33
Others	46.44	13.43
ii) Unrealised gain on financial asset through FVTPL	168.95	256.24
iii) Profit on sale of mutual fund investments	1.43	9.76
iv) Profit on sale of Assets	27.52	-
v) W/back on account of one time settlement (OTS)	1,401.45	-
vi) Sundry Balances Written back	81.23	158.90
vii) Miscellaneous Income	72.03	131.10
viii) Guarantee Commission	481.18	507.97
<b>Total</b>	<b>2,393.65</b>	<b>1,183.49</b>

### 20 Project expenses

	(₹ in Lakhs)	
	2021-22	2020-21
i) EPC Cost	11.20	-
ii) Operation and Maintenance expenses	-	47.86
iii) Cargo Handling Charges -		
Cargo Related Expenses	2,032.99	3,020.08
Stevedoring Charges	-	-
Construction Cost	410.67	586.06
Cargo handling charges outside the terminal	337.81	751.49
Bulk material handling system maintenance	-	562.62
Repairs and maintenance:	277.93	
- Plant and machinery	53.86	473.74
- Project berths	-	90.73
Power and fuel:	418.08	
- Diesel expense	131.75	491.81
- Electricity	553.05	234.70
Royalty on revenue	634.33	902.52
Labour charges	300.86	1,113.16
Lease rentals to VPT	68.49	524.24
Insurance premium	-	135.28
Dredging expenses	46.78	59.36
Survey charges	74.21	80.59

## Notes to the Consolidated Financial Statements

For the year ended 31<sup>st</sup> March, 2022

(All figures are in lacs unless otherwise stated)

	(₹ in Lakhs)	
	2021-22	2020-21
Railway staff charges	-	128.80
Tarpaulin covering charges	128.01	329.82
Charges for wagons demurrage	28.98	125.55
Reimbursement of Customs Staff cost	24.88	108.95
Water charges to terminal	72.68	131.70
<b>Total</b>	<b>5,606.56</b>	<b>9,899.06</b>
<b>Purchase of Electricity</b>	<b>393.05</b>	728.90
<b>Total</b>	<b>393.05</b>	<b>728.90</b>

### 21 Changes in inventory of consumables

	(₹ in Lakhs)	
	2021-22	2020-21
Opening stock of raw materials	67.04	59.27
Add: Purchase	515.17	933.36
Less : Closing stock of materials	-	67.04
<b>Total</b>	<b>582.21</b>	<b>925.59</b>

### 22 Employee benefit expenses

	(₹ in Lakhs)	
	2021-22	2020-21
i) Salaries, wages and bonus	949.10	1,438.37
ii) Contributions to Provident Fund	34.59	53.21
iii) Gratuity and Leave Encashment expense	12.51	26.05
iv) Staff Welfare Expenses	64.47	62.62
<b>Total</b>	<b>1,060.67</b>	<b>1,580.25</b>

### 23 Depreciation & amortization

	(₹ in Lakhs)	
	2021-22	2020-21
Depreciation on PPE	1,256.41	1,367.52
Depreciation on ROU Asset	1,203.58	2,238.49
Amortisation	4,684.68	5,286.66
<b>Total</b>	<b>7,144.67</b>	<b>8,892.67</b>

## Notes to the Consolidated Financial Statements

For the year ended 31<sup>st</sup> March, 2022

(All figures are in lacs unless otherwise stated)

### 24 Finance Costs:

	(₹ in Lakhs)	
	2021-22	2020-21
<b>Interest Paid On :</b>		
Interest expenses on Financial liability at amortised cost	<b>25,077.24</b>	23,800.00
Interest expenses on Lease Liability	<b>576.54</b>	1,098.94
Finance Cost related to Obligation under Service Concession Arrangement	<b>349.17</b>	519.17
Interest on late payment of direct and indirect taxes	<b>1.83</b>	14.31
Other finance costs	<b>127.16</b>	113.48
<b>Total</b>	<b>26,131.94</b>	<b>25,545.90</b>

Wherever the credit facility of the SPV's is classified as NPA and the lenders have stopped charging interest, The Group has made provision for interest on the basis of the last sanction and last revision of terms. Therefore the loan balances and finance cost are subject to confirmation and consequent reconciliation, if any.

### 25 Other expenses

	(₹ in Lakhs)	
	2021-22	2020-21
Professional, Legal and Consultancy Fees	<b>533.11</b>	375.95
Rent	<b>15.19</b>	44.42
Repair and maintenance	<b>94.88</b>	520.18
Power & Fuel	<b>328.03</b>	315.88
Travelling, Motor Car and conveyance expenses	<b>92.41</b>	76.51
Communication expenses	<b>9.27</b>	24.11
Insurance charges	<b>99.24</b>	89.04
Remuneration to Auditors	<b>18.50</b>	19.68
Remuneration to Component Auditors	<b>13.24</b>	27.28
Bank Charges	<b>5.60</b>	2.72
Directors Fees & Commission	<b>40.50</b>	25.00
Guarantee Bond Commission	<b>87.50</b>	75.54
Loss on Sales of assets	<b>4.71</b>	0.80
Settlement of claim of Subsidiary	-	33.90
Settlement of claim of BIF related to projects	-	-
CSR Expenses	<b>9.23</b>	74.37
Stevedoring charges	<b>956.61</b>	114.62
Sundry balances written off	<b>22.96</b>	259.23
Miscellaneous Expenses	<b>219.78</b>	248.29
Provision for doubtful advances	<b>0.10</b>	64.11
Loss on Deconsolidation of subsidiary	<b>1,774.81</b>	-
<b>Total</b>	<b>4,325.67</b>	<b>2,391.63</b>



## Notes to the Consolidated Financial Statements

For the year ended 31<sup>st</sup> March, 2022

(All figures are in lacs unless otherwise stated)

	(₹ in Lakhs)	
	2021-22	2020-21
<b>a) Payment to auditors</b>		
Audit fee including limited review fee	18.50	19.50
Certifications & other services	-	0.03
Reimbursement of expenses	-	0.15
<b>Total payments to auditors</b>	<b>18.50</b>	19.68
<b>b) Other auditors:</b>		
Other components' auditors fees	13.24	27.28
	<b>13.24</b>	27.28
<b>Total (a+b)</b>	<b>31.74</b>	<b>46.96</b>

## 26 Exceptional items Expenses/(income)

	(₹ in Lakhs)	
	2021-22	2020-21
Provision for Impairment of IAUD	65,572.29	-
Provision for Impairment of Investment	809.93	-
Settlement of claim	4,000.00	-
	<b>70,382.22</b>	-

### Notes related to Exceptional Items:

- i) Rs. 65,572.29 lacs relating to Impairment of intangible asset under development of the SPV SSRPL.
- ii) Rs. 809.93 lacs relating to impairment of investments made towards the associate VSPL.
- iii) Rs. 4,000 lacs relating to provision made towards settlement of claims arising out of arbitration proceedings.

## 27 Tax Expense

### a) Income tax expense in the statement of profit and loss consists of:

	(₹ in Lakhs)	
	2021-22	2020-21
Current Tax	102.29	-
Short Provision for Tax	3.31	(33.90)
Deferred Tax Liability / (asset)	494.36	3,159.73
<b>Income tax recognised in statement of profit or loss</b>	<b>599.96</b>	<b>3,125.83</b>

## Notes to the Consolidated Financial Statements

For the year ended 31<sup>st</sup> March, 2022

(All figures are in lacs unless otherwise stated)

- b) The reconciliation between the provision of income tax of the Company and amounts computed by applying the Indian statutory income tax rate to profit before taxes is as follows

	(₹ in Lakhs)	
	2021-22	2020-21
Accounting profit before income tax	(95,144.74)	(24,542.13)
Less: Non Taxable Profit/(loss)	(14,743.37)	35.39
Taxable Profit/(loss)	(80,401.37)	(24,577.52)
Enacted tax rates in India (%)	25.17%	25.23%
<b>Computed expected tax expenses</b>	<b>(20,235.42)</b>	<b>(6,201.61)</b>
<b>Effect of non- deductible expenses</b>	<b>15,573.09</b>	<b>6,741.17</b>
<b>Effects of deductible Expenses</b>	<b>1,762.73</b>	<b>(3,804.99)</b>
<b>Non Taxable effects</b>	<b>3,001.89</b>	<b>(297.23)</b>
<b>Set off of brought forward losses / depn</b>	<b>-</b>	<b>(631.22)</b>
<b>Income tax expenses - Net</b>	<b>102.29</b>	<b>(4,193.89)</b>
<b>Tax Rounded Off.....</b>	<b>102.29</b>	<b>-</b>
Accounting profit before income tax	-	(24,542.13)
Less: Non Taxable Profit/(loss)	-	(20,687.93)
Taxable Profit/(loss)	-	(3,854.20)
<b>Tax liability as per Minimum Alternate Tax on book profits</b>	<b>-</b>	
Enacted tax rates in India (%)	-	16.62%
Computed expected tax expenses	-	(640.45)
Effect of non- deductible expenses	-	-
Effect of Ind-AS impact	-	(8.61)
Others	-	-
<b>Income tax expenses - Net</b>	<b>-</b>	<b>(649.06)</b>
<b>Tax Rounded Off.....</b>	<b>-</b>	<b>-</b>

### 27 Disclosure as required by Accounting Standard – IND AS 33 "Earning Per Share" of the Companies (Indian Accounting Standards) Rules 2015.

Net Profit / (loss) attributable to equity shareholders and the weighted number of shares outstanding for basic and diluted earnings per share are as summarised below:

## Notes to the Consolidated Financial Statements

For the year ended 31<sup>st</sup> March, 2022

(All figures are in lacs unless otherwise stated)

	(₹ in Lakhs)	
	2021-22	2020-21
Net Profit / (Loss) as per Statement of Profit and Loss	(92,335.34)	(23,330.04)
Outstanding equity shares at period end	94,18,30,724	94,18,30,724
Weighted average Number of Shares outstanding during the period – Basic	94,18,30,724	94,18,30,724
Weighted average Number of Shares outstanding during the period – Diluted	94,18,48,371	94,18,48,371
Earnings per Share – Basic (Rs.)	(9.80)	(2.48)
Earnings per Share – Diluted (Rs.) *	(9.80)	(2.48)

\* The EPS on dilutive basis is anti-dilutive and therefore it is same as basic EPS.

### Reconciliation of weighted number of outstanding during the period:

	(₹ in Lakhs)	
	2021-22	2020-21
Nominal Value of Equity Shares (Rs per share)	2.00	2.00
<b>For Basic EPS :</b>		
Total number of equity shares outstanding at the beginning of the period	94,18,30,724	94,18,30,724
Add : Issue of Equity Shares	-	-
Total number of equity shares outstanding at the end of the period	94,18,30,724	94,18,30,724
Weighted average number of equity shares at the end of the period	94,18,30,724	94,18,30,724
<b>For Dilutive EPS :</b>		
Weighted average number of shares used in calculating basic EPS	94,18,30,724	94,18,30,724
Add : Equity shares arising on grant of stock options under ESOP	17,647	17,647
Weighted average number of equity shares used in calculating diluted EPS	94,18,48,371	94,18,48,371

## 28 Details of Joint Ventures

### a) Details of Joint Ventures entered into by the Company.

	(₹ in Lakhs)	
	% of Interest as at	
	2021-22	2020-21
Blue Water Iron Ore Terminal Private Ltd (BWOTPL) *	10%	10%
SEZ Adityapur Ltd	38%	38%
GIPL – GIL JV	95%	95%
GIPL – GECPL JV	40%	40%

## Notes to the Consolidated Financial Statements

For the year ended 31<sup>st</sup> March, 2022

(All figures are in lacs unless otherwise stated)

All the above joint ventures entities are incorporated in India.

- \* AJR Infra had entered into a Joint Venture agreement for 31% equity stake in BWIOTPL. However, AJR Infra had contributed only 10.12% in the equity capital of BWIOTPL. BWIOTPL has initiated the process of liquidation and the group management believes that it does not have any obligation to further contribute in the equity capital of BWIOTPL. Accordingly the interest is restricted to 10.12%.

### 29 Commitments

	(₹ in Lakhs)	
	2021-22	2020-21
Capital Commitments: (*)	40,499.51	38,898.33
Other Commitments:		-
- Share of equity commitment in SPV's	3,792.62	6,990.62
- Buyback / purchase of shares of subsidiaries	-	300.00
<b>Total</b>	<b>44,292.13</b>	<b>46,188.95</b>

(\*) Capital commitment amounts related to Service Concession Arrangement are now disclosed as balance performance obligation outstanding to completed as per IND AS 115.

### 30 Contingent Liabilities

#### a) Guarantees:

- i) The Company has issued Corporate Guarantees as a security for loan availed by its subsidiaries, amounting to Rs. 1,28,835.41 lacs (previous period Rs. 1,28,835.41 lacs)

#### b)

	(₹ in Lakhs)	
	2021-22	2020-21
i) Disputed Tax demand against which the Company has preferred appeals	9,638.43	13,806.66
demand raised against which TDS rectification request filed	9.48	9.48
Tax paid and refunds adjusted against the same	(1,924.63)	(1,923.87)
ii) Bank Guarantee	3,500.00	4,432.00
iii) Claims against group not acknowledged as debt	10,008.77	17,243.05
iv) MBPT and GECPL Claims	2,72,690.00	2,48,225.32
v) Tax demand of SPVs sold for which the Company is liable under the SHA against which the SPV has preferred appeal on the advice of the Company	2,896.66	2,819.15

## Notes to the Consolidated Financial Statements

For the year ended 31<sup>st</sup> March, 2022

*(All figures are in lacs unless otherwise stated)*

- c) i) The Company have received a letter for transfer of shares of one of its divested subsidiary from a party who has paid advance for the same. The Company does not acknowledge the Claim due to non satisfaction of certain conditions and is in the process of refunding the said advance to the party.
- ii) The project of the Group with Madhya Pradesh Road Development Corporation Limited (MPRDC) is terminated during the year. The concession Agreement provide for Stringent penalties for delayed and Non completion of the project , taken into above consideration the Liquidated Damages payable by the group would be Rs. 4,482.32 lacs from the date of last extension granted by MPRDC i.e. October 19,2017 till August 13, 2020 (date on which termination notice was received by the Company). However the amount is recoverable from the sub Contractor i.e. Techno Unique Infratech Pvt Ltd as per the terms of agreement. Further during the year the SPV has also invoked the arbitration proceedings which are in progress to settle all claims.

### SSRPL

- i) Interest differential on loans taken from banks and financial institutions disputed by the Company for the year ended March 2022 is Rs. 29.39 Lac (PY Rs. 18.22 Lac.)

### ICTPL

- i) Some of the lenders have charged interest and penal interest in its loan statement, which the company has disputed and not accounted since the company is computing interest based on the last sanction terms with the lenders. Hence the difference of PY : Rs. 251.86 lac between loan statement/confirmation provided by lenders and loan balance in books is disclosed as contingent liability.

### VSPL

- i) The Hon'ble Supreme Court of India ("SC") by their order dated February 28, 2019 has held that provident fund contributions are payable on basic wage, dearness allowances and all other monthly allowances, which are universally, necessarily and ordinarily paid to all the employees in the establishment across the board. There are numerous interpretative issues relating to the judgement. As such, the Company has, based on legal advice and as a matter of caution, made provision for an estimated amount on a prospective basis without considering any probable obligations for past periods. The Company will continue to monitor and evaluate its position and act, as clarity emerges.

## 31 Project related notes – In respect of the following projects/SPVs of the Group there are legal issues, arbitration proceedings or negotiations with the concession grantor for which the Management is taking necessary steps to resolve the matters.

- a) Container Terminal at Mumbai: The Project was delayed due to non-fulfilment of certain obligations by the Mumbai Port Trust (MbPT) under the License Agreement (LA) signed by the SPV with MbPT. The Roll-On-Roll-Off (RORO) operations was allowed by MbPT as an interim measure for alternate use of the 2 (two) berths for a mix of cargo of container, steel and RORO and is still continuing. However, the revenue generated through alternative use is inadequate for repayment of principal and interest of the Lenders and the credit facility account was declared NPA (Non Performing asset) by the Lenders of the SPV. The SPV has issued a Dispute Notice for the Licensor's Event of Default against MbPT and called upon the Licensor to refer the disputes for amicable settlement under the LA and the matter is pending with MbPT. A petition was filed by the SPV under section 9 and an application under section 11 of the Arbitration and Conciliation Act, 1996 was also filed where in Order dated 1st August 2019 is passed and

## Notes to the Consolidated Financial Statements

For the year ended 31<sup>st</sup> March, 2022

*(All figures are in lacs unless otherwise stated)*

interim protection by way of prayer is allowed for carrying ad-hoc RORO operations.

The SPV and the MBPT have nominated their arbitrators and they in turn have jointly appointed the Presiding Arbitrator/Umpire arbitrator and accordingly, the Arbitral Tribunal (AT) is formed. The SPV has duly filed its Statement of Claim (SOC) against MbPT for an amount of Rs. 296,736 lacs on 8th November 2019. MbPT has filed their Statement of Defense (SOD) and filed their Counter Claim of Rs 240,000 lacs with the Tribunal.

In the meantime, MbPT has sent letters dated May 28, 2021 / October 08, 2021 and invited ICTPL for a settlement of all disputes raised with the Arbitral Tribunal, to which ICTPL has replied and given their concurrence and the process is under active discussion. Both the parties have sought permission to keep the ongoing arbitration in abeyance for next 6 months since the parties have started conciliation proceedings. Virtual hearing was held by the Tribunal on 01-11-2021 to determine if the above application for keeping the matter in abeyance for a period of 6 months can be allowed and if the same would be in compliance of Arbitration and Conciliation Act, 1996. After initial review, the extension was allowed and both the parties were directed to intimate the conciliation proceedings to the tribunal by 25th May, 2022. Since there was no outcome, both the parties jointly opined for the further extension and accordingly ICTPL has filed a joint application dated 24th May, 2022 requesting to put the arbitration proceedings in abeyance for a period up to 31st August, 2022 to wait for the outcome of the conciliation proceedings before the CSC.

The SPV's submission of a One-Time Settlement (OTS) proposal to the consortium of Lenders', and the decision on acceptance, which is dependent upon fulfilment of certain conditions, are yet to be concluded.

The Auditors of the SPV have highlighted material uncertainty regarding going concern issue in their report for the year ended March 31, 2022 and have qualified their report relating to their inability to opine on impairment pending the settlement of the outstanding dispute. The Management has resumed discussions on revival of the Project with MbPT and the Ministry of Shipping (MoS) and is hopeful of finding an amicable resolution. The exposure of the Group in the SPV / project is Rs 54,555.01 lacs.

- b)** Sidhi Singrauli Road Project Limited had signed a Concession Agreement (CA) for 30 years for upgradation of existing highway from two-lane to four-lane with Madhya Pradesh Road Development Corporation Limited (MPRDC). AJR Infra and Tolling Limited (Formerly Gammon Infrastructure Projects Limited) is the EPC contractor for the Project.

The Project was scheduled to commence commercial operations from 19th September 2015. However, delays on account of MPRDC in providing the required clearances and the Right of Way (ROW), has resulted in the extension of the Commercial Operations Date (COD). These delays have also resulted in increase in project cost, primarily due to increase in interest during construction period resulting from the time overruns and the credit facility with consortium of banks / lenders was classified as Non-Performing Asset (NPA).

Meanwhile, the Lead Bank has also issued notice dated October 15, 2019 for invocation of Corporate Guarantee (CG) issued by the Company in favour of the SPV's Banks / Lenders, due to financial default by the SPV. The SPV and GIPL have filed its response dated November 11, 2019 to the said notices issued by the Lead Bank. The Lead bank has also sent Demand cum loan recall notice dated 30th December, 2021 demanding repayment of loan availed from the Consortium of Lenders (Including Indian Bank e-Allahabad Bank and IIFCL). The SPV has duly replied to the notice vide letter dated 31st January, 2022.

During the previous year, the SPV has received notice of intention to terminate the Project vide letter dated July 17, 2020 from MPRDC followed by a Termination Notice dated August 13, 2020 and advised the SPV vide their letter dated August 24, 2020 to comply with the divestment rights and interest under



## Notes to the Consolidated Financial Statements

For the year ended 31<sup>st</sup> March, 2022

*(All figures are in lacs unless otherwise stated)*

the provisions of the Concession Agreement and handover the Project to MPRDC.

Pursuant to the Termination Notice issued by MPRDC, SPV has contested the Termination Notice vide their letter dated 1st October 2020 and has approached MPRDC and Ministry of Road Transport and Highways (MoRTH) to find an amicable resolution under the circular dated March 09, 2020 on stuck BOT projects issued by MoRTH in the interest of all the stakeholders. The Company is exploring options to find an amicable resolution for the Project. Meanwhile, the company has also invoked the Arbitration process vide letter dated 22nd February, 2021 and a 3 member Arbitration Tribunal has been constituted. Two virtual hearings were held and the SPV has submitted its Statement of claims amounting to Rs 284,804.32 Lacs to the Arbitral Tribunal on 8th September, 2021 as per its procedural order dated 2nd June, 2021 / extensions granted thereunder. The respondents have also filed their SOD. The SPV has duly replied to the SOD and counter claim filed by MPRDC and also filed rejoinder to the written statement. The order related to the last hearing was pronounced with a decision that MoRTH should be a party to the arbitration proceedings. In view of the issues and problems associated with the progress of the project including the final notice to terminate the project and subsequent developments in various arbitration hearings as detailed above the Company on a prudent basis has made provision for impairment of Intangible asset under development amounting to Rs 65,572.29 lacs and shown the same as exceptional item. The auditor of the SPV have highlighted material uncertainty regarding going concern issue in their audit report for the year ended March 31, 2022.

- c) Bridge project at Cochin – The Greater Cochin Development Authority (GCDA) has sought to end the toll collection by unilaterally sealing the toll booth. Cochin Bridge Infrastructure Company Limited (SPV) has initiated arbitration / settlement process. The SPV has also in parallel filed a writ in the matter before the Hon'ble Kerala High Court for specific performance. However, the Government of Kerala approached the Hon'ble High Court for further extension of time and the Court granted extension to settle the matter, subsequent to which the SPV has filed amended plaint. The said SPV pursuant to the assurance given by GCDA and State Government filed a fresh writ petition for directions to GCDA to pay the dues of SPV. The arbitration process were kept in abeyance.

Matter was last listed on 10th July 2019 wherein it was argued and after considering the points of arguments, the Hon'ble High Court passed the orders that the writs petition stands dismissed with reserving the liberty to seek appropriate resolution before the Arbitral Tribunal. The SPV is the process of re-constituting the Arbitral Tribunal and has intimated GCDA vide its letter dated 3rd January 2020 for revival of the Arbitration proceedings and to appoint their nominee arbitrator. Since, GCDA is neither responding nor appointing its nominee arbitrator, the SPV has filed an application under section 11 & section 14 of the Arbitration and Conciliation Act with the Hon'ble Kerala High Court and duly informed that they have nominated their new arbitrator with regard reconstitution of the Ld Arbitral Tribunal. The matter was listed on 21st June, 2022 whereby the Hon'ble Kerala High Court appointed the sole arbitrator to adjudicate the disputes. The exposure of the Group in the SPV is Rs 1,787.13 lacs (funded and non-funded).

- d) Hydro power project at Himachal Pradesh – the Project is stalled due to local agitation relating to environment issues. The SPV has received letter from the Government of Himachal Pradesh (GoHP), to discuss the matter mutually towards amicable resolution. After the SPV invoked arbitration on 19th February 2018, the SPV has received a letter from GoHP dated 4th September 2018 intimating that their office has begun the process for finalisation of the panel of Arbitrators and the nomination in this regard shall be intimated to the SPV shortly. The SPV has appointed its arbitrator in the matter and has also reminded GoHP to nominate its arbitrator, since there was no action from GoHP on the matter, the SPV has moved the Himachal Pradesh High Court under section 11 of the Arbitration and Conciliation Act. Vide order dated 24th July, 2021 passed by the Hon'ble High court, the arbitration petition was disposed after appointment of Sole arbitrator in this matter. The SPV has filed the Statement of claims on 15th January, 2022 and GoHP has also filed their SOD on 29th April, 2022. Based on the view of the

## Notes to the Consolidated Financial Statements

For the year ended 31<sup>st</sup> March, 2022

*(All figures are in lacs unless otherwise stated)*

sole arbitrator, no rejoinder is required in this case and next hearing is scheduled for November 4, 2022 for cross examination of witnesses. The Management is hopeful of an early settlement in the matter and is confident of recovering the amount of exposure. The exposure of the Group in the SPV is Rs. 6,784.37 lacs.

- e) The Company has incorporated a SPV for developing Rangit-II Hydroelectric Power Project in Sikkim on Build, Own, Operate and Transfer (BOOT) basis. The Project involves the development of a 66 MW run-of-the-river Hydroelectric Power Project on Rimbi river, a tributary of river (COD). The Project is presently in a state of limbo pending the signing of PPA and achieving financial closure. The Management is of the view that the present situation in power business is temporary and does not foresee any need for impairment. The exposure of the group in the SPV is Rs. 10,923.74 lacs.

One of the operational creditors of the SPV had filed an application under the Insolvency and Bankruptcy Code, 2016 (IBC) with the Hon'ble National Company Law Tribunal (NCLT), Delhi and the application has been admitted by NCLT vide their order dated July 30, 2020 received on August 05, 2020 and Interim Resolution Professional (IRP) has been appointed. The Company (AJRITL) had filed an appeal against the said order before National Company Law Appellate Tribunal (NCLAT). The matter was adjourned to 19-04-2021 at the request of the company after NCLAT was informed that the claim of the above operational creditor has been settled. In the meantime, RP submitted an application dated 18th September, 2021 at Hon'ble NCLT to seek liquidation order u/s 33(2) of IBC code, 2016 and the SPV has filed an application under Sec 60 of IBC, 2016. Based on the amicable settlement between the SPV and other parties concerned the RP has withdrawn the liquidation application and also submitted its application for withdrawal of CIRP proceedings under Sec 12A. The said application was heard on 3rd June, 2022 and Hon'ble National Company Law Tribunal (NCLT), Delhi was pleased to withdraw the CIRP proceeding and directed to handover the Management of the SPV back to the Promoters of the Company. Accordingly, the appeal filed by the Company at NCLAT was also withdrawn and the matter was accordingly disposed.

Post withdrawal of the CIRP proceedings, the company has been in discussion with prospective buyers for Sale or otherwise dilution of Company's investment in the SPV and have also obtained in principal approval vide special resolution at the EGM dated 12th August, 2022.

- f) Pravara Renewable Energy Limited (SPV of the company) – Pravara has entered into a Project Development Agreement (PDA) with Karkhana (Padmashri Dr. Vithalrao Vikhe Patil Sahakari Sakhar Karkhana Limited) for the development of a 30 MW Cogeneration Project on Build-Own-Operate-Transfer (BOOT) basis. The Concession period is 25 years from Commercial Operation Date (COD). The viability of the project and the ability to continue as a going concern depends upon the ability of the SPV to procure Baggasse / alternate Fuel at a viable price either from Karkhana under the arrangement to supply them power in return or from the open Market. In view of the pending settlement between the SPV and Karkhana, the availability of adequate Baggasse to run the plant at optimum capacity is a matter of significant uncertainty.

The SPV has filed an application under Sec 9 of Arbitration and conciliation Act, 1996 against Karkhana seeking interim reliefs which was heard by Hon'ble High Court on 30th October, 2021 and adjourned to 22nd November, 2021 for filing reply. The Single Judge of the Hon'ble Bombay High Court, after elaborately dealing with the contentions of both the parties, passed an Order dated 11th April, 2022 to restrain Karkhana and any representative acting on behalf of the Karkhana, from entering the premises of the SPV's Co-generation Plant pending the hearing/final disposal and until final execution of the Arbitral Award. Subsequently, on 2nd May, 2022, after dealing with the submissions of Karkhana's appeal and contentions of both the parties, Division Bench of the Hon'ble Bombay High Court had admitted the Karkhana's appeal filed under section 37 of the Arbitration & Conciliation Act ("the Act"), and granted stay of the Order dated 11th April, 2022 passed by the Single Judge in Commercial Arbitration Petition

## Notes to the Consolidated Financial Statements

For the year ended 31<sup>st</sup> March, 2022

*(All figures are in lacs unless otherwise stated)*

(L.) No. 23525 of 2021 (filed under Section 9 of the Act by the Petitioner).

Based on Special Leave Petition (SLP) filed by the Company against the impugned Order dated 2nd May, 2022 passed by the Hon'ble High Court of Judicature at Bombay and after hearing both the parties, Supreme Court had directed the SPV vide order dated 20th May, 2022 to approach Arbitration Tribunal for relief since the tribunal is constituted. Accordingly, SPV has filed its relief application under Sec 17 of Arbitration and conciliation Act, 1996 on 18/07/2022 against Karkhana.

In the meantime, Karkhana had approached Debts Recovery Tribunal, Aurangabad and the matter was listed with objections on the maintainability and the Interlocutory application No 1239/2021 for seeking certain directions for stay. DRT, Aurangabad in its order has directed to register this case as a Securitisation application and directed the bank to give minimum 15 days notice prior to taking physical possession. Based on the submission of Karkhana that the Plant was possessed and run by Karkhana, the tribunal ordered to maintain status quo. The SPV has taken legal opinion on the matter and has challenged the Order dated 29th December, 2021 passed by the DRT Aurangabad before the Hon'ble DRAT, Mumbai

The borrowing facility of the company has been marked as non performing assets by the lenders, hence no interest has been debited by the lenders in the Loan Statements. The company has made provision for interest on the basis of the last sanction and last revision of terms. Therefore the loan balances and finance cost are subject to confirmation and consequent reconciliation, if any. Recall notice date 27/09/2021 and 22/11/2021 were issued by the Lenders, Central Bank of India and Union Bank of India respectively vide which both the lenders recalled the entire outstanding amounts owed by the Company (Term loan and Cash credit) to which the company has suitably replied. Also, Both the lenders have jointly filed an Original Application No. 69/2021 before the DRT-II, New Delhi, against the Company and others for the enforcement of the claims of lenders against the Company, in respect of the Term Loan and Working Capital Loan sanctioned to the Company by the lenders. Ex Parte Order was passed by DRT II, Delhi with a direction to maintain status quo in respect of assets as per section 19 sub-section (4) of the Recovery of Debts and Bankruptcy Act 1993." The company has challenged the Order passed by DRT II, Delhi. Also on 9th March, 2022 / 26th May, 2022, Union Bank of India / Central Bank of India respectively affixed the impugned notice under Section 13(4) of the SARFAESI Act 2002 at the premises of the Company's Co-gen plant and taken symbolic possession. The Company has challenged both the notices at DRT, Mumbai.

The Credit facilities are marked as Non-Performing Assets. The use of coal as an alternate fuel has other issues of cost and operations. The lenders also are not providing any further funding for the procurement of the inventory for the running of the plant. Also Karkhana has taken illegal / unauthorised possession of the Plant and has been running the plant without authorisation / consent of the SPV. In view of the above situation, power generated for the period Jan, 22 to Mar, 22 exported to the Grid has not been accounted as Revenue in the books of the SPV. Similarly Fuel (Bagasse) consumed at the Plant for the generation of power for the captioned period of Jan, 22 to Mar, 22 has not been accounted as expense / Inventory in the books of the SPV. The audit of the SPV for the year ended March 31, 2022 is also not completed. The management prepared accounts has been considered in consolidated financial statements.

The management however is hopeful of resolving the issues and accordingly these financials are prepared on a going concern basis. The exposure of the group in the SPV is Rs 18,940.83 lacs (funded and non-funded)

- 32** Other Financial Assets includes Rs 1,514.01 lacs due from Western Coalfields Limited (WCL) on account of wrongful encashment of bank guarantee against which the Company has filed a suit for Recovery of damages. Subsequent to the encashment, the Company has filed an application for converting earlier injunction application to suit for recovery of damages. The Company has sought a legal opinion in this matter and has

## Notes to the Consolidated Financial Statements

For the year ended 31<sup>st</sup> March, 2022

(All figures are in lacs unless otherwise stated)

been advised that it has a good case for recovery of the amount. The Management is hopeful of getting favourable decision on the matter and recovery of damages based on legal advice on the matter. The next date has been fixed for 20<sup>th</sup> September, 2022 for framing of issues. Pending the outcome, the Company has shown bank guarantee encashment amount as receivable from WCL

### 33 Material Uncertainty related to Going Concern

There is a continuing mismatch of cash flows including the dues to the subsidiary which are due for repayment pursuant to negotiation by March 31, 2022. The current liabilities are in excess of current assets by Rs 308,282.84 lacs. The liquidity crunch is affecting the Group's operation with increasing severity. The credit facility of the Group's is also marked as NPA. Further various projects of the Group as stated in detail in Note 31 above are under stress and the outcome of the continuance of these projects would be dependent upon favourable decision being received by the Management on the outstanding litigations. The resolutions planned by the management are pending since a long time and are not concluding in favor of the Group. The Management however is confident that the going concern assumption and the carrying values of the assets and liabilities in these Standalone Financial Statements are appropriate. Accordingly, the financial statements do not include any adjustments that may result from these uncertainties.

**34** During the previous periods, in respect of 2 (two) of its subsidiary companies, Corporate Insolvency Resolution Proceedings (CIRP) were initiated by financial creditors of the respective subsidiaries by filing a petition before the Hon'ble National Company Law Tribunal (NCLT). The NCLT admitted the petition and accordingly, the Boards of the respective subsidiaries were superseded, and Interim Resolution Professional / Resolution Professional (RP) were appointed. Accordingly, the Company namely; AJR Infra and Tolling Limited (Formerly Gammon Infrastructure Projects Limited (GIPL)) lost control over these 2 subsidiaries. These equity instruments presently are carried at Fair Value through Profit & Loss. The book value of these investments are considered as fair value since the valuation reports are yet to be received and accepted by the company. The subsidiaries are;

(a) Patna Highway Projects Limited (PHPL): One of the Lender i.e. Corporation Bank (merged with Union Bank of India w.e.f. 1st April 2020) had filed an application under the provisions of Insolvency and Bankruptcy Code, 2016 (IBC) with NCLT which had been admitted and an Interim Resolution Professional (IRP) had been appointed on 7th January 2020. The Net exposure of the Group is Rs. 1,40,318.58 lacs (funded and non-funded). The valuation exercise has been concluded by the Resolution Professional (RP). The extent of impairment required in the books of accounts of the Company, if necessary will be assessed and given effect on the receipt of valuation report and its acceptance by the Company. The Corporate Guarantee provided by the Company are continued to be shown as contingent liabilities.

Resolution Plan submitted by Sliver Point has been accepted by the COC/ RP against which the Company had filed an intervention application before NCLT, which has since been rejected by Hon'ble NCLT. The Company has filed an appeal on 13th July 2022 against the impugned order in NCLAT.

(b) Rajahmundry Godavari Bridge Limited (RGBL): One of the Consortium Banks of RGBL had initiated and filed an application under the provisions of Insolvency and Bankruptcy Code, 2016 (IBC) with NCLT. The Hon'ble NCLT had passed an order dated 27th February 2020 admitting the matter to Corporate Insolvency Resolution Process (CIRP) under the IBC and appointing an Interim Resolution Professional (IRP) on 27th February 2020. The IRP has been replaced with a new Resolution Professional (RP) pursuant to the Hon'ble NCLT order dated August 21, 2020 which was issued on September 08, 2020 based on an application filed by the Committee of Financial Creditors / Lenders and the new RP has taken charge of RGBL from the erstwhile IRP and the Project. The net exposure of the Group is Rs. 1,18,001.70 lacs (funded and non-funded). The valuation exercise has been concluded by the Resolution Professional (RP). The Management contended that the extent of impairment required in the books of accounts of the Company, if necessary, will be assessed and given effect on the receipt of valuation report and its acceptance by the Company.

## Notes to the Consolidated Financial Statements

For the year ended 31<sup>st</sup> March, 2022

(All figures are in lacs unless otherwise stated)

The Company had filed an Intervention Application at Hon'ble NCLT being aggrieved by the rejection of COC to consider the proposal dated 24.02.2022 of the applicant under section 12A of IBC. The matter was listed on 7th June,2022 for admission of the petition. The Hon'ble Members were pleased to direct the RP to file reply to the subject IA and further stated that upon approval of the resolution plan by the CoC, application under section 12A is not maintainable. At the next hearing dated 21st June,2022 the company requested for time to file an affidavit in rejoinder to the reply filed by the Resolution Professional. Resolution Plan submitted by M/s. Prakash Asphaltings & Toll Highways (India) Limited has been accepted by the COC/ RP against which the company had filed an intervention application before NCLT, challenging the Resolution Plan, which has since been rejected by Hon'ble NCLT. The company is in process of filing appeal against the impugned order in NCLAT.

- 35 A)** The company has entered into a Share purchase agreement dated 28th October, 2021 for sale of 33% stake in its subsidiary i.e. Vizag Seaport Private Limited. Based on the sales consideration received, the Company has given effects to the de-consolidation of the subsidiary resulting in a loss of control and de-recognition of assets and liabilities as well as the non-controlling interest in the consolidated Financial Statements.

Analysis of assets and liabilities of Vizag Seaport Private Limited (VSPL)

<b>Non Current assets</b>	
Property Plant and Equipment	121.04
Right of Use Asset-Leases	9,729.13
Other intangible assets	15,336.16
Others Financial assets	104.28
Others Non current assets	2,884.19
Deferred tax Assets (Net)	139.45
<b>Total Non Current assets</b>	<b>28,314.26</b>
<b>Current assets</b>	
Inventory	407.25
Cash and Cash Equivalent	1,006.57
Trade Receivable	1,969.73
Others Financial assets	11,299.80
Others Current assests	673.46
<b>Total Current assets</b>	<b>15,356.82</b>
<b>Non-Current Liabilites</b>	
Borrowings	12,812.02
Lease Liability	9,858.94
Provisions	3,601.57
Other Financial liabilities	-
Other Non Current liability	-
<b>Total Non Current Liabilities</b>	<b>26,272.53</b>
<b>Current Liabilities</b>	
Borrowings	2,815.54
Lease Liability	1,548.30

## Notes to the Consolidated Financial Statements

For the year ended 31<sup>st</sup> March, 2022

(All figures are in lacs unless otherwise stated)

<b>Non Current assets</b>	
Trade payables	1,063.05
Provisions	137.50
Other Financial liabilities	1,688.04
Other current liability	1,533.56
<b>Total Current Liabilities</b>	<b>8,785.99</b>

### B) Gain / (Loss) on de-consolidation

Value of interest retained at cost (A)	3,857.69
Net Assets/(Liabilities) Deconsolidated	8,612.56
Consideration Received	(2,640.00)
Goodwill & Others	1,930.44
Non Controlling Interest	(2,270.50)
<b>Net Assets/(Liabilities) Deconsolidated attributable to Parent Company (B)</b>	<b>5,632.50</b>
<b>Net Profit / (Loss) on de-consolidation (A-B)</b>	<b>(1,774.81)</b>

Note:- Assets and liabilities reported above are after consolidation adjustments but before inter-head eliminations of receivables and payables between Holding Company and above subsidiaries and among above subsidiaries.

## 36 Disclosure in accordance with Ind AS – 116 “Leases”, of the Companies (Indian Accounting Standards) Rules, 2015.

- Movement in Right of Use assets – Refer Note 2 (B )
- Movement in lease liabilities :

	(₹ in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Balance at the beginning	12,596.23	13,957.05
Addition during the year	-	-
Interest on lease liabilities	576.54	1,098.94
Lease Payments	45.29	2,459.75
Deconsolidation of Subsidiaries	12,828.42	-
<b>Closing</b>	<b>299.07</b>	<b>12,596.23</b>



## Notes to the Consolidated Financial Statements

For the year ended 31<sup>st</sup> March, 2022

(All figures are in lacs unless otherwise stated)

### e) Maturity Profile of Lease Liabilities

The table below provides details regarding Contractual Maturities of Lease Liability on an undiscounted basis.

Ageing	(₹ in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Within One year	45.29	2,301.21
Two to Five years	226.44	6,419.64
More than Five years	573.65	9,392.64
	<b>845.38</b>	<b>18,113.49</b>

### 37 Disclosure in accordance with Ind AS – 108 "Operating Segments", of the Companies (Indian Accounting Standards) Rules, 2015.

The Group's operations constitutes a single business segment namely "Infrastructure Development" as per INDAS 108. Further, the Group's operations are within single geographical segment which is India. As such, there is no separate reportable segment under Ind AS – 108 on Operating Segments.

Major customer of the Group is as follows:

#### PREL

- The Companies major products are Power, Steam and fuel and revenue from the same during the period is Rs 2064.93 lacs (Previous period: Rs 3,114.06 lacs).
- Maharashtra State Electricity Development Corporation Limited (MSEDCL) and Padmashri Dr.Vithalrao Vikhe Patil Sahakari Sakhar Karkhana Ltd. from whom more than 10% of the business of the Group is carried out in the form of Power Project.

#### VSPL

- The Companies major service is Bulk handling of Cargo and the revenue from the same during the previous period is Rs 15,862.97 lacs.
- Information about Geographical areas** - Company's operation are confined in Vishakapatnam only. All its revenue are generated in the said geographical location.

#### ICTPL

- The top three customers account for 34.21% of the total revenue earned during the year ended March 31,2022 amounting to Rs 3,653.23 lac (Previous period: two customers accounted for 31.99 % of the total revenue earned amounting to Rs 2247.00 lac).

### 38 Disclosure in accordance with Ind AS – 24 "Related Party Disclosures", of the Companies ( Indian Accounting Standards) Rules, 2015

Details are given in Annexure -1

### 39 Disclosure related to interest in other entities as per IND AS 112

Details are given in Annexure -2

### 40 Derivative Instruments and Unhedged Foreign Currency Exposure

There are no derivative instruments outstanding as at March 31, 2022 and March 31, 2021 . The Company has

## Notes to the Consolidated Financial Statements

For the year ended 31<sup>st</sup> March, 2022

(All figures are in lacs unless otherwise stated)

no foreign currency exposure towards liability outstanding as at March 31, 2022 and March 31, 2021.

### 41 Significant accounting judgements, estimates and assumptions

The financial statements require management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosures of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

#### Judgements

In the process of applying the company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the separate financial statements.

#### Taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

#### Defined benefit plans (gratuity benefits)

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

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. The underlying bonds are further reviewed for quality. Those having excessive credit spreads are excluded from the analysis of bonds on which the discount rate is based, on the basis that they do not represent high quality corporate bonds.

### 42 Financial Instruments

- i) The carrying value and fair value of financial instruments by categories as at March 31, 2022 & March 31, 2021 is as follows:

	(₹ in Lakhs)			
	Carrying Value		Fair Value	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
<b>a) Financial assets</b>				
<b>Amortised Cost</b>				
Loans	1,950.13	347.47	1,950.13	347.47
Others	83,389.44	92,747.90	83,389.44	92,747.90
Trade receivables	4,742.61	5,461.17	4,742.61	5,461.17
Cash and cash equivalents	200.53	1,764.60	200.53	1,764.60

## Notes to the Consolidated Financial Statements

For the year ended 31<sup>st</sup> March, 2022

(All figures are in lacs unless otherwise stated)

(₹ in Lakhs)

	Carrying Value		Fair Value	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Bank balance other than above	2,658.64	2,589.53	2,658.64	2,589.53
Investment in equity	55,053.51	43,960.97	55,053.51	43,960.97
<b>FVTPL</b>				
Mutual Funds	5,183.15	5,062.78	5,183.15	5,062.78
<b>Total Financial Assets</b>	<b>1,53,178.02</b>	<b>1,51,934.43</b>	<b>1,53,178.02</b>	<b>1,51,934.43</b>
<b>b) Financial liabilities</b>				
<b>Amortised Cost</b>				
Borrowings	10,988.82	48,924.16	10,988.82	48,924.16
Trade payables	16,054.79	18,568.50	16,054.79	18,568.50
Others	2,99,448.78	2,46,254.67	2,99,448.78	2,46,254.67
<b>Total Financial Liabilities</b>	<b>3,26,492.39</b>	<b>3,13,747.34</b>	<b>3,26,492.39</b>	<b>3,13,747.34</b>

The management assessed that fair value of cash and short-term deposits, trade receivables, trade payables, book overdrafts and other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

### 43 Fair Value Hierarchy

This section explains the judgments and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the group has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

**Level 1** - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

**Level 2** - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

**Level 3** - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The following table presents the fair value measurement hierarchy of financial assets and liabilities measured at fair value on recurring basis as at March 31, 2022 & March 31, 2021.

## Notes to the Consolidated Financial Statements

For the year ended 31<sup>st</sup> March, 2022

(All figures are in lacs unless otherwise stated)

(₹ in Lakhs)

	Date of Valuation	Fair Value measurement using		
		Quoted prices inactive markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
<b>'Financial assets measured at fair value</b>				
Mutual funds – Growth plan	31-Mar-22	5,183.15	-	-
<b>Total financial assets</b>		<b>5,183.15</b>	<b>-</b>	<b>-</b>
<b>'Financial assets measured at fair value</b>				
Mutual funds – Growth plan	31-Mar-21	5,062.78	-	-
<b>Total financial assets</b>		<b>5,062.78</b>	<b>-</b>	<b>-</b>

### 44 Financial Risk Management

The Company is in the business of infrastructure development and it undertakes projects in multiple infrastructure segments. The nature of the business is complex and the Company is exposed to multiple sector specific and generic risks. PPP projects which the Company undertakes are capital intensive and have gestation periods ranging between 3 to 5 years; coupled with longer ownership periods of 15 to 35 years. Given the nature of the segments in which the company operates, be it in the Road Sector, Power Sector, Ports or Urban Development, it is critical to have a robust, effective and agile Risk Management Framework to ensure that the Company's operational objectives are met and continues to deliver sustainable business performance. Over the years, several initiatives have been taken by the Company to strengthen its risk management process. An enterprise wide comprehensive risk management policy including risk appetite, tolerance and risk limits for more effective, informed and measurable risk management has been developed and it continues to evolve.

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk, and interest rate risk, regulatory risk and business risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The primary market risk to the company is interest rate risk.

The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below:

#### Financial risk factors

##### i) Business / Market Risk

Business/ 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. One of the first and foremost business risk is the achievement of the traffic projections made at the time of the bid. This will include the introduction of alternate roads by the state or central government which impacts the traffic projected to ply on the asset under the control of the Company. The concession agreement provides some safeguards in this regard but many of them are unforeseen and exposes the Company / SPV to risk.

##### ii) Capital and Interest rate Risk

Infrastructure projects are typically capital intensive and require high levels of long-term debt financing. The Company intends to pursue a strategy of continued investment in infrastructure development projects. In the past, the Company was able to infuse equity and arrange for debt financing to develop infrastructure projects on acceptable terms at the SPV-level of relevant projects. However,

## Notes to the Consolidated Financial Statements

For the year ended 31<sup>st</sup> March, 2022

(All figures are in lacs unless otherwise stated)

the Company believes that its ability to continue to arrange for capital requirements is dependent on various factors. These factors include: timing and internal accruals generation; timing and size of the projects awarded; credit availability from banks and financial institutions; the success of its current infrastructure development projects. Besides, there are also several other factors outside its control. However, the Company's track record has enabled it to raise funds at competitive rates.

### iii) Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Companies profit before tax is affected through the impact on floating rate borrowings, as follows:

	(₹ in Lakhs)	
	Increase/ Decrease in basis points	Effects on Profit before tax
March 31, 2022	+100	(2,912.89)
	-100	2,912.89
March 31, 2021	+100	(2,794.32)
	-100	2,794.32

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment, showing a significantly higher volatility than in prior years.

### iv) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investment securities. Credit risk arises from cash held with banks and financial institutions, as well as credit exposure to clients, including outstanding accounts receivable. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets.

#### a) Trade and Other Receivables

The maximum exposure to the credit risk at the reporting date is primarily from trade receivables amounting to Rs. 4742.61 lacs as at March 31, 2022 and Rs 5461.17 lacs as at March 31, 2021.

The primary customer of the group is the Government Organisation. In the absence of any bad debts from the SPV in the past the expected credit loss is zero and thus the Group is making no provisions on account any expected credit loss.

The credit risk from customers in the case of the SPV is very low as without payment of upfront toll the vehicles is not allowed to pass. However there are frequent local political issues which result in leakages which is a credit risk for the Company.

The Group has exposure to credit risk from a limited customer group on account of specialised nature of business, i.e., port services provided by the Company. The Company ensures concentration of credit does not significantly impair the financial assets since the customers to whom the exposure of credit is taken are well established and reputed industries mostly being public sector undertakings which are sovereign backed and other large corporates.

## Notes to the Consolidated Financial Statements

For the year ended 31<sup>st</sup> March, 2022

(All figures are in lacs unless otherwise stated)

### (v) Liquidity risk

The Group principal sources of liquidity are cash and bank balances and the cash flow that is generated from operations.

The Group has outstanding borrowings of Rs 2,91,289.11 lacs as at March 31, 2022 and Rs. 2,79,431.95 lacs as at March 31, 2021.

The Group working capital is not sufficient to meet its current requirements. Accordingly, liquidity risk is perceived. The Current Liabilities of the Company exceeds current Assets by Rs 3,08,282.87 lacs (P.Y. Rs 2,59,312.13 lacs) as at March 31, 2021. These conditions indicate the existence of an uncertainty as to timing and realization of cash flow of the company.

The achievement of the projections in the traffic and the toll rates is critical for the liquidity to pay the lenders.

Timely completion of the project has a major impact on the liquidity of the SPV. The delay caused due to the grantor and the timely receipt of compensation from the grantor impacts liquidity of the SPV and the holding company materially and is one of the major reasons for the liquidity issue of the group.

The Working Capital Position of the Company is given below:

	As at March 31, 2022	As at March 31, 2021
Cash and Cash Equivalent	200.53	1,764.60
Bank Balance	2,658.64	2,589.53
Investments in mutual Funds	5,183.15	5,062.78
<b>Total</b>	<b>8,042.33</b>	<b>9,416.91</b>

(₹ in Lakhs)

The table below provides details regarding the contractual maturities of significant financial liabilities :

	Amount (Rs.)
<b>As at March 31, 2021</b>	
Borrowings	10,988.82
Trade Payables	16,054.79
Other Financial Liabilities	2,99,448.78
Other Liabilities	5,401.00
<b>Total</b>	<b>3,31,893.39</b>
<b>As at March 31, 2020</b>	
Borrowings	48,924.16
Trade Payables	18,568.50
Other Financial Liabilities	2,46,254.67
Other Liabilities	33,785.77
<b>Total</b>	<b>3,47,533.11</b>

(₹ in Lakhs)



## Notes to the Consolidated Financial Statements

For the year ended 31<sup>st</sup> March, 2022

(All figures are in lacs unless otherwise stated)

### (vi) Competition Risk:

The Company is operating in a highly competitive environment with various Companies wanting a pie in the project. This invariably results in bidding for projects at low margins to maintain a steady flow of the projects to enable the group to retain the projects team and to maintain sustainable operations for the Company and the SPVs. The ability of the Company to build the infrastructure at a competitive price and the ability to start the tolling operations is very important factor in mitigating the competition risk for the group.

### (vii) Input cost risk

Raw materials, such as bitumen, stone aggregates cement and steel, need to be supplied continuously to complete projects undertaken by the group. As mentioned in the earlier paragraph of the business risk and the competition risk the input cost is a major risk to attend to ensure that the Company is able to contain the project cost within the estimate projected to the lenders and the regulators. To mitigate this the group sub-contracts the construction of the facility at a fixed price contract to various subcontractor within and without the group.

### (viii) Exchange risk

Since the operations of the group are within the country the group is not exposed to any exchange risk directly. The group also does not take any foreign currency borrowings to fund its project and therefore the exposure directly to exchange rate changes is minimal. However there are indirect effects on account of exchange risk changes, as the price of bitumen, which is a by-product of the crude, is dependent upon the landed price of crude in the country.

## 45 Capital management

For the purpose of the Group's capital management, capital includes issued equity capital, convertible preference shares, share premium and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Group's capital management is to maximise the shareholder value.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The gearing ratio in the infrastructure business is generally high. The Group includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents, excluding discontinued operations.

	(₹ in Lakhs)	
	As at March 31, 2022	As at March 31, 2021
Borrowings	2,91,289.11	2,79,431.96
Less:		
Cash and Cash Equivalent	(200.53)	(1,764.60)
Bank Balance	(2,658.64)	(2,589.53)
Investment in mutual funds	(5,183.15)	(5,062.78)
<b>Net debt</b>	<b>2,83,246.79</b>	<b>2,70,015.05</b>
<b>Total Equity</b>	<b>(73,518.21)</b>	<b>18,813.43</b>
<b>Gearing ratio</b>	<b>(3.85)</b>	<b>14.35</b>

## Notes to the Consolidated Financial Statements

For the year ended 31<sup>st</sup> March, 2022

(All figures are in lacs unless otherwise stated)

### 46 Disclosure as required under schedule III of the Companies Act, 2013

The disclosure of breakup of net assets and profit after tax, entity wise is given in Annexure III attached.

- 47** Comparative Period: – Figures of the previous period have been regrouped/reclassified wherever necessary including to conform to current period's classification in order to comply with the requirements of amended Schedule III to the Companies Act, 2013 effective April 1, 2021.
- 48** The balance sheet, statement of profit and loss, cash flow statement, statement of changes in equity, statement of significant accounting policies and the other explanatory notes forms an integral part of the financial statements of the Company for the year ended March 31, 2022.

As per our report of even date  
For **Nayan Parikh & Co.**  
ICAI Firm Registration No. : 107023W  
Chartered Accountants

For and on behalf of the Board of Directors of  
**AJR INFRA AND TOLLING LIMITED**

**K N Padmanabhan**

Partner  
M. No. 036410

**Jaysingh Ashar**

Director  
DIN: 07015068

**Mineel Mali**

Whole-Time Director  
DIN: 06641595

Mumbai: Dated September 01, 2022

**Vinay Sharma**

Chief Financial Officer

**Kaushal Shah**

Company Secretary  
M. No. ACS 18501

## Notes to the Consolidated Financial Statements

For the year ended 31<sup>st</sup> March, 2022

(All figures are in lacs unless otherwise stated)

### Annexure - I Related Party Disclosure (Refer Note 38)

#### a) Relationships :

##### Entity where control exists :

- 1 Gammon Power Limited – Entity having significant influence (w.e.f. Sept 08, 2017)
- 2 Gammon India Limited – Entities having significant influence

##### Subsidiary

- 1 Rajahmundry Godavary Bridge Limited \*
- 2 Patna Highway Projects Limited \*

##### Fellow Subsidiary

- 1 Ansaldo Caldie Boilers India Private Limited – a subsidiary of Entity having significant influence

##### Joint Ventures:

- 1 Blue Water Iron Ore Terminal Private Limited
- 2 SEZ Adityapur Limited
- 3 GIPL – GIL JV
- 4 GIPL – GECPL JV

##### Associates:

- 1 Elgan India Martrade Private Limited ( Formerly Known as Eversun Sparkle Maritime Services Limited)
- 2 ATSL Infrastructure Projects Limited
- 3 Modern Tollroads Limited
- 4 Vizag Seaport Private Limited (w.e.f. October 28, 2022)

##### Key Management Personnel:

- 1 Chayan Bhattacharjee
- 2 Homai Daruwalla
- 3 Mahendra Kumar Agarwala
- 4 Jaysingh Ashar
- 5 Vinod Sahai
- 6 Sunilbhai Chhabaria

## Notes to the Consolidated Financial Statements

For the year ended 31<sup>st</sup> March, 2022

(All figures are in lacs unless otherwise stated)

### b) Details of related parties transactions for the period April 1, 2021 to March 31, 2022

Transactions	Entities Having Significant Influence	Subsidiaries	Associates / Joint Ventures & Partnerships	Subsidiary of Ultimate holding company	Key Management Personnel	Total
<b>Finance Provided by the Company</b>	-	<b>136.57</b>	<b>335.86</b>	-	-	<b>472.43</b>
<i>(Previous Year)</i>	-	<i>(65.72)</i>	<i>(92.85)</i>	-	-	<i>(158.57)</i>
- GIPL GIL JV	-	-	0.10	-	-	0.10
<i>(Previous Year)</i>	-	-	<i>(0.10)</i>	-	-	<i>(0.10)</i>
- GIPL GECPL JV	-	-	335.76	-	-	335.76
<b>(Previous Year)</b>	-	-	<b>(92.75)</b>	-	-	<b>(92.75)</b>
- Patna Highway Projects Ltd	-	10.08	-	-	-	10.08
<b>(Previous Year)</b>	-	<b>(6.79)</b>	-	-	-	<b>(6.79)</b>
- Rajahmundry Godavari Bridge Ltd	-	126.49	-	-	-	126.49
<i>(Previous Year)</i>	-	<i>(58.93)</i>	-	-	-	<i>(58.93)</i>
<b>Refund of Finance Provided by the Company</b>	-	<b>134.84</b>	<b>1,686.77</b>	-	-	<b>1,821.61</b>
<i>(Previous Year)</i>	-	<i>(84.74)</i>	<i>(261.63)</i>	-	-	<i>(346.37)</i>
- GIPL GECPL JV	-	-	1,686.77	-	-	1,686.77
<i>(Previous Year)</i>	-	-	<i>(261.63)</i>	-	-	<i>(261.63)</i>
- Patna Highway Projects Ltd	-	8.14	-	-	-	8.14
<i>(Previous Year)</i>	-	<i>(17.55)</i>	-	-	-	<i>(17.55)</i>
- Rajahmundry Godavari Bridge Ltd	-	126.70	-	-	-	126.70
<i>(Previous Year)</i>	-	<i>(67.18)</i>	-	-	-	<i>(67.18)</i>
<b>Share of profit of an associate and joint venture</b>	-	-	<b>268.89</b>	-	-	<b>268.89</b>
	-	-	<i>(42.27)</i>	-	-	<i>(42.27)</i>
- GIPL GECPL JV	-	-	130.62	-	-	130.62
<i>(Previous Year)</i>	-	-	<i>(32.54)</i>	-	-	<i>(32.54)</i>
- Vizag Seaport Private Limited	-	-	101.18	-	-	101.18
<i>(Previous Year)</i>	-	-	-	-	-	-
- Elgan India Martrade Private Limited	-	-	37.09	-	-	37.09
<i>(Previous Year)</i>	-	-	<i>(9.73)</i>	-	-	<i>(9.73)</i>
<b>Share of loss of an associate and joint venture</b>	-	-	<b>5.35</b>	-	-	<b>5.35</b>
<i>(Previous Year)</i>	-	-	<i>(0.10)</i>	-	-	<i>(0.10)</i>
- GIPL-GIL JV	-	-	5.54	-	-	5.54
<i>(Previous Year)</i>	-	-	<i>(0.10)</i>	-	-	<i>(0.10)</i>
<b>Rent Paid</b>	<b>1.20</b>	-	-	-	-	<b>1.20</b>
<i>(Previous Year)</i>	<i>(0.60)</i>	-	-	-	-	<i>(0.60)</i>
- Gammon India Limited	1.20	-	-	-	-	1.20
<i>(Previous Year)</i>	<i>(0.60)</i>	-	-	-	-	<i>(0.60)</i>
<b>Guarantee Commission income</b>	-	<b>481.18</b>	-	-	-	<b>481.18</b>
<i>(Previous Year)</i>	-	<i>(507.97)</i>	-	-	-	<i>(507.97)</i>

## Notes to the Consolidated Financial Statements

For the year ended 31<sup>st</sup> March, 2022

(All figures are in lacs unless otherwise stated)

Transactions	Entities Having Significant Influence	Subsidiaries	Associates / Joint Ventures & Partnerships	Subsidiary of Ultimate holding company	Key Management Personnel	Total
- Patna Highway Projects Ltd	-	481.18	-	-	-	481.18
(Previous Year)	-	(507.97)	-	-	-	(507.97)
<b>Managerial Remuneration</b>	-	-	-	-	-	-
<b>(Previous Year)</b>	-	-	-	-	<b>(22.86)</b>	<b>(22.86)</b>
- Mr. Chayan Bhattachajee	-	-	-	-	-	-
(Previous Year)	-	-	-	-	(22.86)	(22.86)
<b>Director Sitting fees and Commission</b>	-	-	-	-	40.50	36.00
<b>(Previous Year)</b>	-	-	-	-	<b>(25.00)</b>	<b>(25.00)</b>
- Homai Daruwalla	-	-	-	-	8.50	8.50
(Previous Year)	-	-	-	-	(7.00)	(7.00)
- Mahendra Kumar Agrawala	-	-	-	-	9.00	9.00
(Previous Year)	-	-	-	-	(7.00)	(7.00)
- Jaysingh Ashar	-	-	-	-	6.00	6.00
(Previous Year)	-	-	-	-	(4.00)	(4.00)
- Sunilbhai Chhabaria	-	-	-	-	6.00	6.00
(Previous Year)	-	-	-	-	(3.00)	(3.00)
- Vinod Sahai	-	-	-	-	6.50	6.50
(Previous Year)	-	-	-	-	(4.00)	(4.00)
- Chayan Bhattacharjee	-	-	-	-	4.50	4.50
(Previous Year)	-	-	-	-	-	-
<b>Corporate Guarantee Outstanding</b>	-	<b>108,600.00</b>	-	-	-	<b>108,600.00</b>
<b>(Previous Year)</b>	-	<b>(108,600.00)</b>	-	-	-	<b>(108,600.00)</b>
- Patna Highway Projects Ltd	-	108,600.00	-	-	-	108,600.00
(Previous Year)	-	(108,600.00)	-	-	-	(108,600.00)
<b>Outstanding Balances Receivable :</b>	<b>509.82</b>	<b>78,350.05</b>	<b>489.36</b>	-	-	<b>79,349.23</b>
<b>(Previous Year)</b>	<b>(509.93)</b>	<b>(78,349.31)</b>	<b>1,404.96</b>	-	-	<b>(77,454.28)</b>
- Rajahmundry Godavary Bridge Limited	-	78,350.05	-	-	-	78,350.05
(Previous Year)	-	(78,349.31)	-	-	-	(78,349.31)
- Gammon India Ltd	509.82	-	-	-	-	509.82
(Previous Year)	(509.93)	-	-	-	-	(509.93)
- Modern Tollroads Limited	-	-	129.95	-	-	129.95
(Previous Year)	-	-	(129.95)	-	-	(129.95)
- GIPL GECPL JV	-	-	334.14	-	-	334.14
(Previous Year)	-	-	1,560.08	-	-	1,560.08
- GIPL-GIL JV	-	-	25.27	-	-	25.27
(Previous Year)	-	-	(25.17)	-	-	(25.17)
<b>Outstanding Provision for doubtful Receivable</b>	<b>(213.84)</b>	-	-	-	-	<b>213.84</b>
<b>(Previous Year)</b>	<b>(213.84)</b>	-	-	-	-	<b>(213.84)</b>

## Notes to the Consolidated Financial Statements

For the year ended 31<sup>st</sup> March, 2022

(All figures are in lacs unless otherwise stated)

Transactions	Entities Having Significant Influence	Subsidiaries	Associates / Joint Ventures & Partnerships	Subsidiary of Ultimate holding company	Key Management Personnel	Total
- Gammon India Ltd	213.84	-	-	-	-	213.84
(Previous Year)	(213.84)	-	-	-	-	(213.84)
<b>Outstanding Balances Payable:</b>	<b>100.00</b>	<b>571.58</b>	<b>265.20</b>	<b>1,500.00</b>	<b>-</b>	<b>2,436.78</b>
<b>(Previous Year)</b>	<b>(100.00)</b>	<b>(538.22)</b>	<b>(265.20)</b>	<b>(1,500.00)</b>	<b>-</b>	<b>(2,403.42)</b>
Patna Highway Projects Limited	-	571.58	-	-	-	571.58
(Previous Year)	-	(538.22)	-	-	-	(538.22)
- Gammon India Ltd	100.00	-	-	-	-	100.00
(Previous Year)	(100.00)	-	-	-	-	(100.00)
- Modern Tollroads Limited	-	-	265.20	-	-	265.20
(Previous Year)	-	-	(265.20)	-	-	(265.20)
- Ansaldo Caldie Boilers India Private Limited	-	-	-	1,500.00	-	1,500.00
<b>(Previous Year)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1,500.00)</b>	<b>-</b>	<b>(1,500.00)</b>

\* Corporate Insolvency Resolution Proceedings (CIRP) were initiated by financial creditors of the respective subsidiaries by filing a petition before the Hon'ble National Company Law Tribunal (NCLT). The NCLT admitted the petition and accordingly the Boards of the respective subsidiaries were superseded and the Interim Resolution Professional (IRP) were appointed. Accordingly, the Holding Company have lost control over these subsidiaries.



## Notes to the Consolidated Financial Statements

For the year ended 31<sup>st</sup> March, 2022

(All figures are in lacs unless otherwise stated)

### Annexure – II (Refer Note 39)

A) The following table summarises the information relating to major subsidiaries of the group. (refer note 42)

(₹ in Lakhs)

	VSPL*		ICTPL	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Non-current assets		30,229.08	<b>56,524.63</b>	60,302.32
Current assets		15,685.28	<b>4,728.19</b>	3,673.26
Non-current liabilities		(27,557.69)	<b>(15.57)</b>	(43.63)
Current liabilities		(9,998.16)	<b>(1,12,025.21)</b>	(1,01,319.10)
Capital Contributions	-	-	<b>(3,722.47)</b>	(3,722.47)
<b>Net assets</b>	-	8,358.51	<b>(54,510.43)</b>	(41,109.61)
<b>Net assets attributable to NCI</b>	-	2,195.10	<b>(14,173.98)</b>	(10,689.77)
Revenue	<b>11,005.74</b>	17,854.91	<b>4,754.58</b>	3,194.20
Profit for the year	<b>287.44</b>	(3,813.69)	<b>(13,402.64)</b>	(12,835.38)
<b>Profit/(Loss) allocated to NCI</b>	<b>75.42</b>	(1,000.71)	<b>(3,484.69)</b>	(3,337.20)
Other comprehensive income	-	7.08	<b>1.82</b>	1.30
OCI allocated to NCI	-	1.86	<b>0.47</b>	0.34
Cash flow from operating activities	-	6,753.46	<b>2,842.14</b>	2,426.10
Cash flow from investing activities	-	(360.72)	<b>(210.54)</b>	947.20
Cash flow from financing activities	-	(5,115.17)	<b>(2,631.40)</b>	(3,373.29)
Net increase/(decrease) in cash and cash equivalents	-	1,277.57	<b>(0.20)</b>	-

\*During the year Company ceased to be subsidiary of the group

Note – A) The amounts disclosed for each subsidiary are before intra-group eliminations.

## Notes to the Consolidated Financial Statements

For the year ended 31<sup>st</sup> March, 2022

(All figures are in lacs unless otherwise stated)

## Annexure III – Disclosure as required under schedule III of the Companies Act, 2013 (Refer Note 46)

Sr. Particulars No.	As at March 31, 2022				As at March 31, 2021			
	As % of consolidated net assets		Amount		As % of consolidated net assets		Amount	
	As % of consolidated net assets	Amount	As % of consolidated net assets	Amount	As % of consolidated net assets	Amount	As % of consolidated net assets	
<b>Holding Co.</b>								
1	-128.73%	94,636.85	(5.25%)	-4,849.20	517.54%	97,366.22	11.40%	(2,660.77)
<b>Subsidiaries</b>								
1	0.82%	-605.79	(0.00%)	-0.24	(5.81%)	(1,093.22)	0.00%	(0.15)
2	0.77%	-562.43	(0.00%)	-0.38	(4.20%)	(789.96)	0.00%	(0.20)
3	0.01%	-6.96	(0.00%)	-0.16	(0.04%)	(6.80)	0.00%	(0.15)
4	0.50%	-368.76	(0.00%)	-1.81	(1.95%)	(366.95)	0.00%	(0.15)
5	1.31%	-962.55	(0.00%)	-1.56	(5.11%)	(960.99)	0.00%	(0.17)
6	0.11%	-83.07	(0.00%)	-0.17	(0.44%)	(82.90)	0.00%	(0.15)
7	0.19%	-137.20	0.03%	30.43	(0.89%)	(167.63)	0.00%	(0.17)
8	0.55%	-406.04	(0.09%)	-86.52	(1.70%)	(319.52)	0.00%	(0.16)
9	0.11%	-79.91	(0.00%)	-0.15	(0.42%)	(79.75)	0.00%	(0.16)
10	0.17%	-128.34	0.01%	6.52	(0.72%)	(134.86)	0.00%	(0.14)
11	(0.01%)	5.37	(0.00%)	-0.34	0.03%	5.71	0.00%	(0.15)
12	25.21%	-18,535.99	(4.13%)	-3,817.77	(73.09%)	(13,750.55)	15.87%	(3,703.44)
13	0.06%	-44.08	(0.00%)	-0.15	(0.23%)	(43.93)	0.00%	(0.14)
14	0.78%	-572.68	(0.07%)	-68.46	(2.68%)	(504.22)	0.02%	(5.36)
15	0.02%	-13.18	(0.00%)	-0.52	(0.07%)	(12.66)	0.00%	(0.14)
16	114.21%	-83,963.79	(80.25%)	-74,094.55	(59.61%)	(11,214.24)	32.63%	(7,612.99)
17	0.01%	-5.24	0.02%	14.00	(0.10%)	(19.24)	0.00%	(0.15)
18	0.04%	-26.86	(0.00%)	-0.09	(0.14%)	(26.78)	0.00%	(0.07)
19	10.41%	-7,651.07	(0.00%)	-0.38	(39.17%)	(7,368.31)	(0.08%)	17.92
20	0.00%	0.00	0.23%	212.02	14.31%	2,691.94	(0.32%)	73.87
21	3.83%	-2,818.47	(0.00%)	-0.22	(14.98%)	(2,818.24)	0.00%	(0.51)

## Notes to the Consolidated Financial Statements

For the year ended 31<sup>st</sup> March, 2022

(All figures are in lacs unless otherwise stated)

(₹ in Lakhs)

Sr. No.	Particulars	As at March 31, 2022		As at March 31, 2021		Amount
		As % of consolidated net assets	Amount	As % of consolidated net assets	Amount	
22	YPVL	0.51%	-372.93	(0.02%)	-15.04	(4.49)
23	ICTPL	69.76%	-51,288.73	(10.75%)	-9,923.95	(9,474.18)
	<b>Joint Venture</b>					
1	GIPL-GIL JV	0.01%	(5.64)	(0.01%)	-5.54	(0.10)
2	GIPL-GECPL JV	(0.22%)	163.15	0.14%	130.62	32.54
	<b>Associates</b>					
1	ESMSPL	(0.29%)	214.94	0.04%	37.09	9.73
2	VSPL	(0.14%)	101.18	0.11%	101.18	-
		100.00%	-73,518.21	100.00%	-92,335.34	(23,330.04)
				100.00%	18,813.43	100.00%

## Notes to the Consolidated Financial Statements

For the year ended 31<sup>st</sup> March, 2022

(All figures are in lacs unless otherwise stated)

**AOC – 1**

**Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014 Statement Containing salient features of the financial statements of subsidiaries/associate companies /joint ventures as included in the Consolidated Financial Statements**

Part 'A' : Subsidiaries															
S no.	Name of the Subsidiary	Reporting Period	Reporting Currency	Exchange Rate	Share Capital	Reserves and Surplus	Total Assets	Total Liabilities	Total Investments	Turnover	Profit / (Loss) before Tax	Provision for Tax	Profit / (Loss) after Tax	Proposed Dividend & tax thereon	% of shareholding
1	Birmtrapur Barkote Highway Private Limited	31-Mar-22	INR	N.A.	1.00	-0.61	1.12	0.73	605.10	604.94	604.94	-	604.94	-	100.00%
2	Cochin Bridge Infrastructure Company Limited	31-Mar-22	INR	N.A.	640.01	373.55	1,812.40	798.84	0.08	-0.39	-0.39	-	-0.39	-	97.66%
3	Chitoor Infra Company Private Limited	31-Mar-22	INR	N.A.	1.00	-6.96	96.03	101.99	-	-0.16	-0.16	-	-0.16	-	100.00%
4	Earthlink Infrastructure Projects Limited	31-Mar-22	INR	N.A.	1.00	-27.22	100.13	126.35	-	-0.15	1.66	-	-1.81	-	100.00%
5	Gammon Logistics Limited	31-Mar-22	INR	N.A.	255.00	-442.55	0.88	188.44	-	-0.21	1.35	-	-1.56	-	100.00%
6	Gammon Projects Developers Limited	31-Mar-22	INR	N.A.	25.00	-83.07	23.54	81.60	1.00	0.83	-	-	0.83	-	100.00%
7	Gammon Renewable Energy Infrastructure Projects Limited	31-Mar-22	INR	N.A.	5.00	4.71	1,568.59	1,558.88	62.91	6.11	0.91	-	5.20	-	100.00%
8	Gammon Road Infrastructure Limited	31-Mar-22	INR	N.A.	5.00	-5.03	0.13	0.16	133.58	81.54	-	-	81.54	-	100.00%
9	Gammon Seaport Infrastructure Limited	31-Mar-22	INR	N.A.	5.00	-79.91	0.12	75.02	-	-0.15	-	-	-0.15	-	100.00%
10	Haryana Biomass Power Limited	31-Mar-22	INR	N.A.	128.35	-128.34	0.13	0.12	7.49	6.52	-	-	6.52	-	100.00%
11	Marine Project Services Limited	31-Mar-22	INR	N.A.	5.00	-5.04	0.08	0.12	-	-10.75	-	-	-10.75	-	100.00%
12	Patna Highway Projects Limited	31-Dec-19	INR	N.A.	-	-	-	-	-	-	-	-	-	-	100.00%
13	Pravara Renewable Energy Limited	31-Mar-22	INR	N.A.	4,792.00	-15,750.16	21,024.86	31,983.01	2,160.80	-3,594.36	223.41	-	-3,817.77	-	100.00%
14	Ras Cities and Townships Private Limited	31-Mar-22	INR	N.A.	1.00	-44.08	1,764.58	1,807.66	-	-0.15	-	-	-0.15	-	100.00%
15	Rajahmundry Godavari Bridge Limited	27-Feb-20	INR	N.A.	-	-	-	-	-	-	-	-	-	-	75.28%
16	Sikkim Hydro Power Ventures Limited	31-Mar-22	INR	N.A.	6,273.59	2,545.74	11,032.69	2,213.36	-	-33.40	-	-	-33.40	-	100.00%
17	Segue Infrastructure Projects Limited	31-Mar-22	INR	N.A.	1.00	-13.18	0.11	12.30	-	-0.16	0.36	-	-0.52	-	100.00%
18	Sidhi Singrauli Road Project Limited	31-Mar-22	INR	N.A.	17,041.00	-81,562.89	14,499.16	79,021.05	53.26	-78,574.68	-	-	-78,574.68	-	100.00%
19	Tada Infra Development Company Limited	31-Mar-22	INR	N.A.	5.00	-5.02	0.10	0.12	14.38	14.22	-	-	14.22	-	100.00%
20	Tidong Hydro Power Limited	31-Mar-22	INR	N.A.	5.00	15.95	206.80	185.84	-	-0.18	-	-	-0.18	-	51.00%
21	Vijaywada Gundugolanu Road Private Limited	31-Mar-22	INR	N.A.	7,661.00	-7,651.07	17.35	7.42	0.18	-0.38	-	-	-0.38	-	100.00%
22	Yamunaganar Panchkula Highway Private Limited	31-Mar-22	INR	N.A.	1,905.00	-2,818.47	3.66	917.13	-	-0.22	-	-	-0.22	-	100.00%
23	Indira Container Terminal Private Limited	31-Mar-22	INR	N.A.	10,156.60	-60,944.58	61,252.82	112,040.79	4,827.77	-13,402.70	-0.06	-	-13,402.64	-	74.00%
24	Youngthang Power Ventures Limited	31-Mar-22	INR	N.A.	1,445.00	5,361.76	6,863.04	56.28	3.03	-15.04	-	-	-15.04	-	100.00%
<b>Total</b>					<b>50,357.55</b>	<b>-161,266.44</b>	<b>120,268.52</b>	<b>251,177.20</b>	<b>-</b>	<b>7,869.56</b>	<b>-94,918.90</b>	<b>227.62</b>	<b>-95,146.52</b>	<b>-</b>	<b>-</b>

## Notes to the Consolidated Financial Statements

For the year ended 31<sup>st</sup> March, 2022

*(All figures are in lacs unless otherwise stated)*

### Names of subsidiaries which are yet to commence operations:

Sikkim Hydro Power Ventures Limited	Tidong Hydro Power Limited
Sidhi Singrauli Road Project Limited	Youngthang Power Ventures Limited

### Names of subsidiaries which have been liquidated / closed or sold during the year:

\*\*\* The Company held investment in Patna Highway Projects Limited (PHPL) and Rajahmundry Godavari Bridge Limited (RGBL) which were classified as subsidiary till 3rd January,2020 and 27th February 2020 respectively. A corporate insolvency resolution proceeding (CIRP) under the Insolvency Bankruptcy Code (2016) was initiated against PHPL and RGBL vide order of NCLT dated 3rd January,2020 (pronounced on 7th January,2020) and 27th February 2020 respectively, Pursuant to this, company lost control over the PHPL and RGBL and the entities has been de-consolidated during the previous year ended 31st March,2021. The Company holds investment in Sikkim Hydro Power Ventures Limited (SHPVL). However, A corporate insolvency resolution proceeding (CIRP) under the Insolvency Bankruptcy Code (2016) was initiated against SHPVL vide order of NCLT dated 30th July,2020 (pronounced on 5th August,2020) against which the company has preferred an appeal at NCLAT and the financial statement of SHPVL upto 30th July, 2020 had been incorporated in Consolidated financials of the company for the period ended 31st March,2021. Based on the amicable settlement between SHPVL and other parties concerned the RP had submitted its application for withdrawal of CIRP proceedings under Sec 12A. The said application was heard on 3rd June,2022 and Hon'ble National Company Law Tribunal (NCLT), Delhi was pleased to withdraw the CIRP proceeding and directed to handover the Management of the SPV back to the Promoters of the Company. Accordingly, financial statement of SHPVL upto 31st March,2022 has been incorporated in the Consolidated financials of the company.

# Notes to the Consolidated Financial Statements

For the year ended 31<sup>st</sup> March, 2022

(All figures are in lacs unless otherwise stated)

## Part "B" Details of Associates / Joint Ventures

S no.	Name of the Joint Venture / Associate	Date on which the Associate or Joint Venture was associated or acquired	Latest Audited Balance Sheet Date	No. of Equity Shares held	Cost of Investments	% of Holding	Networth attributable to shareholding as per latest audited Balance Sheet	Profit/ (Loss) for the year	
								Considered in Consolidated	Not considered in Consolidated
<b>Joint Ventures:</b>									
1	Blue Water Iron Ore Terminal Private Limited @ (BWOTPL)		30-Sep-14	3,051,808	305.18	10.12%	-	-	-
2	GIPL - GILJV		31-Mar-22	-	-	95.00%	-24.12	-5.54	-0.29
3	SEZ Adityapur Limited \$ (SEZAL)	06-Jul-10	30-Sep-14	19,000	1.90	38.00%	-	-	-
4	GIPL - GECPJV		31-Mar-22	-	138.67	40.00%	156.22	130.62	195.93
<b>Associates:</b>									
1	ATSL Infrastructure Projects Limited (ATL) ^		30-Sep-14	24,450	2.45	49.00%	-	-	-
2	Elgan India Martrade Private Limited ( Formerly Eversun Sparkle Maritime Services Private Limited )	29-Mar-07	31-Mar-22	2,143,950	214.40	30.90%	218.59	37.09	82.94
3	Modern Tollroads Private Limited (MTRL) ^		30-Sep-14	24,470	2.45	49.00%	-	-	-
4	Vizag Seaport Private Limited @@	28-Oct-21	31-Mar-22	35,540,730	3,047.76	40.76%	3,621.62	101.18	434.49
	Total				3,712.80		3,972.32	263.35	713.07

### Description of how there is significant influence

Through the Company's shareholding and joint venture agreements entered into by the Company

^The accounts of ATL and MTRL for the year ended March 31, 2021 have not been received and therefore no effects have been taken in these financial statements in respect of these companies. However, these associates are not carrying out any operations and therefore their impact is not expected to be significant.

\$ In the absence of financial statements of SEZAL no effects are taken in these financial statements for the current period. The balances as at September 30, 2014 are incorporated. However, this joint venture is not carrying out any operations and therefore the impact is not expected to be significant.

@ In the absence of financial statements of BWOTPL no effects are taken in these financial statements for the current period. The balances as at September 30, 2014 are incorporated. However, this joint venture is not carrying out any operations and therefore the impact is not expected to be significant. The Company had entered into joint venture to acquire 31% of BWOTPL. However, GIPL had contributed only 10.12% in the equity capital of BWOTPL. BWOTPL has since initiated the process of liquidation and management believes that the Company will not have any obligation to contribute further in the equity capital of BWOTPL.

@@ The company has entered into a Share purchase agreement dated 28th October, 2021 for sale of 33% stake in its subsidiary i.e. Vizag Seaport Private Limited. The Company has given effects to the de-consolidation of the subsidiary resulting in a loss of control and de-recognition of assets and liabilities as well as the non-controlling interest in the consolidated Financial Statements. Post de-recognition the said investment is carried as per IND AS-28 (Investments in Associates and Joint Ventures)

For and on behalf of the Board of Directors of  
**AJR INFRA AND TOLLING LIMITED**  
 (formerly Gammon Infrastructure Projects Limited)

**K N Padmanabhan**  
 Partner  
 M. No. 036410

**Jaysingh Ashar**  
 Director  
 DIN: 07015068

**Mineel Mali**  
 Whole-Time Director  
 DIN: 06641595

Mumbai: Dated September 01, 2022

**Vinay Sharma**  
 Chief Financial Officer

**Kaushal Shah**  
 Company Secretary  
 M. No. ACS 18501



# Independent Auditor's Report

To  
The Members of  
**AJR Infra and Tolling Limited**  
(Formerly known as Gammon Infrastructure Projects Limited)

## Report on the Audit of the Standalone Financial Statements

### Qualified Opinion

We have audited the Standalone Financial Statements of AJR Infra and Tolling Limited (Formerly known as Gammon Infrastructure Projects Limited) ("the Company"), which comprise the Balance Sheet as at March 31, 2022, and the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of Significant Accounting Policies and other explanatory information (hereinafter referred to as "the Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us except for the possible effects of the matter described in Basis of Qualified Opinion paragraph, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, the loss (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

### Basis for Qualified Opinion

(a) Attention is invited to Note 28 (a) of the Financial Statement, relating to the Project in the SPV; Indira Container Terminal Pvt Ltd. There exists material uncertainty relating to the future of the Project where the exposure of the Company in the SPV/project is Rs. 13,304.46 lacs (funded and non-funded). The draft settlement agreement between the SPV, Ministry of Shipping (MoS), Mumbai Port Trust (MbPT) has been rejected by MbPT. The Company and the SPV are in discussion

with MbPT and MoS to reconsider the Project. The credit facility is marked as NPA by the Lenders. The SPV and MbPT have initiated arbitration proceedings which are in progress. The MBPT has requested for conciliation proceedings which are also under active discussions. Pending conclusion of matters of material uncertainty related to the Project and decision of the OTS by the lenders not being concluded, we are unable to comment whether any provision is required towards possible impairment towards the said exposure.

(b) Attention is invited to Note 31 (a) of the Financial Statement in respect of PHPL where the CIRP proceedings had been initiated. NCLT has approved the resolution plan submitted by Resolution Professional and as per the NCLT Order no surplus is available to the Company. The Company has filed an appeal in NCLAT against the NCLT order and expects favourable outcome on the matter.

Pending the outcome, no impairment has been done by the Management against the funded exposure. On accounts of the facts stated above, there is possible impairment towards the exposure of the company in the SPV of Rs. 21,294.19 lacs disclosed as Equity Instruments carried at fair value through Profit and Loss (excluding non-funded exposure of Rs. 1,19,024.39 lacs disclosed as contingent liability) unless the Management receives a favourable order in its appeal before the NCLAT.

(c) Attention is invited to Note 31 (b) of the Financial Statement in respect of RGBL where the CIRP proceedings had been initiated. NCLT has since the balance Sheet date approved the resolution plan submitted by Resolution Professional and as per the NCLT Order no surplus is available to the Company

The Company is proposing to file an appeal before NCLAT against the NCLT order and expects favourable outcome on the matter. Pending the outcome, no impairment has been done by the Management against the possible impairment. On accounts of facts stated above, possible impairment towards the exposure of the company in SPV is Rs. 1,08,190.68 lacs disclosed as Equity Instruments carried at fair value through Profit and Loss (excluding non-funded exposure of

## Independent Auditor's Report

Rs. 9,811.02 lacs disclosed as contingent liabilities) unless the Management receives a favourable order in its proposed appeal being filed before the NCLAT.

- (d) Attention is invited to Note 28 (f) of the Financial Statement, relating to power project where the operation of the project is under constraints as detailed in the note. The SPV has also invoked the arbitration against the Karkhana and the Karkhana has approached Debt Recovery Tribunal (DRT). Based on the submission of Karkhana that the Plant was possessed and run by Karkhana, the tribunal ordered to maintain status quo. The Company is in the process of filing its response at DRT. Also, the SPV's credit facilities are marked as Non-Performing Assets. Pending the outcome of the legal proceedings and in the absence of resolution of financial and operational constraint under the project, we are unable to comment whether any provision is required towards possible impairment towards the exposure of the project. The audit of the SPV for the year ended March 31, 2022 is also not completed. Total funded and non-funded exposure of the Company in the SPV is Rs. 29,677.58 lacs.

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

### Material Uncertainty relating to Going Concern.

We invite attention to Note 29 of the Financial Statement relating to material uncertainty relating to going concern. The Company's current liabilities exceeded

current assets significantly and are at Rs. 1,41,675.76 lacs. There is a continuing mismatch including defaults in payment of its financial obligations to its subsidiary Company. The liquidity crunch is affecting the Company's operation with increasing severity. We also invite attention to note 28 of the Statement wherein status of various SPV projects which are stressed due to delay in completion, cost overrun, liquidity crunch and have legal issues, arbitration proceedings or negotiations. The future of these projects as also the successful progress and completion depends on favourable decisions on outstanding litigations being received by the Management. The resolutions planned by the Management are pending since a long time and are not concluding in favour of the Company. These conditions indicate the existence of Material Uncertainty which may impact the Company's ability to continue as a going concern. Our report is not qualified on this matter.

### Emphasis of Matter

Without qualifying our opinion, we draw attention to the following matters;

- (a) We invite attention to Note 28 (c) of the Financial Statement, regarding unilateral termination and closure of Concession in a bridge project, which is subject to pending litigations / arbitrations at various forums, which may impact the carrying values of investments and loans and advances given to the subsidiary. The Company's exposure towards the said project (funded and non-funded) is Rs. 2,392.68 lacs. Pending conclusion on these legal matters, no adjustments have been made in the financial statements.
- (b) We invite attention to Note 28 (d) of the Financial Statement, in relation to intention to exit one of the hydro power projects at Himachal Pradesh and seeking a claim of an amount against the amount spent on the Project. The Company's subsidiary has cited reasons for non-continuance on account of reasons beyond its control. The SPV has appointed its arbitrator in the matter and has also reminded GoHP to nominate its arbitrator, since there was no action from GoHP on the matter, the SPV has moved the Himachal Pradesh High Court under section 11 of the Arbitration and Conciliation Act. Vide order dated 24th July, 2021 passed by the Hon'ble High court, the arbitration

## Independent Auditor's Report

petition was disposed after appointment of Sole arbitrator in this matter. The Company's exposure towards the said project includes investment and loans & advances of Rs. 7,125.52 lacs. Pending conclusion between the parties, no adjustments have been made in the financial statements.

- (c) We invite attention to Note 28 (e) of the Financial Statement, relating to the Hydropower project in Sikkim. The exposure of the Company in the SPV is Rs. 8,837.10 lacs (net of provisions). As detailed in the note the company is in active discussion with the prospective buyer for sale of investment in the SPV and accordingly based on the best offers received from the prospective buyer, made a possible impairment towards its exposure. We have relied on the management's representation on this matter.
- (d) We invite attention to Note 30 of the Financial Statement, wherein during the previous year, Western Coalfields Limited (WCF) had encashed Bank Guarantee amounting Rs 1,514.01 lacs given in favour of Aparna Infraenergy India Private Limited (one of the SPV's sold to BIF India Holding Pte Ltd on February 29, 2016). Subsequent to encashment the Company has filed an application for converting earlier injunction application to suit for recovery of damages. The Management is hopeful of getting favourable decision on the matter and recovery of damages based on legal advice on the matter. Pending the outcome, the Company has shown guarantee encashment amount as receivable from Western Coal Fields.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone financial statements of the current period. These matters were addressed in the context of our audit of the Standalone financial statements as a whole, and in forming our opinion thereon, we do not provide a separate opinion on these matters.

Apart from what is mentioned in our paragraph titled Basis of Qualified Opinion, paragraph titled Material Uncertainty related to Going Concern and Emphasis of Matter there are no other matters described to be the key audit matters to be communicated in our report.

### Information Other than the Standalone Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the Other Information. The other information comprises the information included in the Board's report including the Directors Report, Chairman's Statement, Management Discussions and Analysis, Summarized Financial Information, Corporate Governance and Shareholder's Information but does not include the Standalone Financial Statements and our Independent Auditors' Report thereon. Our opinion on the Standalone Financial Statements does not cover the Other Information and we do not and will not express any form of assurance or conclusion thereon.

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the Other Information identified above and, in doing so, consider whether the Other Information is materially inconsistent with the Standalone Financial Statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

The Other Information has not been made available to us till the date of this report. We will read the Other Information as and when it is made available to us and if conclude that there is a material misstatement, we are required to communicate the matter with those charged with governance and take necessary steps as may be required thereafter.

### Responsibilities of Management and those Charged with Governance for the Standalone 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 Financial Statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows 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

## Independent Auditor's Report

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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone 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 Financial Statements

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

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

1. Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. 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.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. 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.
5. Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

## Independent Auditor's Report

the standalone financial statements

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the Key Audit Matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the attached Annexure "A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b. In our opinion, except for the possible effects of the matter described in Basis of Qualified Opinion paragraph, 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 Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
- d. In our opinion, except for the possible effects of the matter described in Basis of Qualified Opinion paragraph, the aforesaid Standalone Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e. The matters described in paragraphs under the Basis for Qualified Opinion and the Material Uncertainty related to Going Concern paragraph, in our opinion, may have an adverse effect on the functioning of the Company
- f. On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
- g. With respect to the adequacy of the internal financial with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to financial statements.
- h. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:
 

In our opinion and to the best of our information and according to the explanations given to us, there are no remuneration paid by the Company to its directors during the year.
- i. With respect to the other matters to

## Independent Auditor's Report

be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 27 to the standalone financial statements,
- ii. The Company did not have any long-term contracts including derivative contracts for which there were material foreseeable losses,
- iii. There are no amounts required to be transferred to the Investor Education and Protection Fund by the Company.
- iv.
  - a. The management has represented that, to the best of their knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person or entity(ies), including foreign entities ("intermediaries") with the understanding whether recorded in writing or otherwise, that the intermediary shall, whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security, or the like on behalf of the Ultimate Beneficiaries.
  - b. The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies) including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
  - c. Based on such audit procedures considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (iv) and (v) above contain any material misstatement.
- v. No dividend is paid or declared during the year by the Company.

For **Nayan Parikh & Co.**  
Chartered Accountants  
Firm Registration No- 107023W

**KN Padmanabhan**  
Partner  
M. No. – 036410

Mumbai, Dated: September 01, 2022  
UDIN: 22036410AQPFGA1232



## Independent Auditor's Report

### ANNEXURE A

**(Referred to in para 1 under 'Report on Other Legal and Regulatory requirement' section of our report to the Members of AJR Infra and Tolling Limited of even date).**

- (i) a. (A) The Company has generally maintained proper records showing full particulars including quantitative details and situation of its Property, Plant and Equipment
- (B) The company does not have any intangible asset therefore clause 3(i)(a) (B) of the Companies (Auditors Report) Order 2020 is not applicable to the Company.
- b. Property, Plant and Equipment have been physically verified by the management at reasonable intervals and no material discrepancies were noticed on such verification.
- c. There is no immovable properties in the name of the Company therefore clause 3(i) (c) of the Companies (Auditors Report) Order 2020 is not applicable to the Company.
- d. The company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
- e. On the basis of information and explanation given, no proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- (ii) (a) As the Company does not hold any inventory during the year hence Clause 3(ii)(a) of the Companies (Auditors Report) Order 2020 is not applicable to the Company.
- (b) In our opinion and on the basis of examination of books and records and on the basis of information and explanation given to us the Company does not have any sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets hence Clause 3(ii)(b) of the Companies (Auditors Report) Order 2020 is not applicable to the Company.
- (iii) (a) In our opinion and on the basis of examination of books and records and on the basis of information and explanation given to us the Company has made investments in companies, firms, Limited Liability Partnerships. The Company has also provided guarantee or security or granted loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties details of which are given hereunder:

Particulars	Guarantees (Rs in Lacs)	Security (Rs in Lacs)	Loans (Rs in Lacs)	Advances in nature of loans (Rs in Lacs)
Aggregate amount granted /provided during the year	-	-	Rs 1129	
- Subsidiaries	-	-	Rs. 1129	
- Joint Ventures	-	-	-	
- Associates	-	-	-	
- Others	-	-	-	
Balance outstanding as at balance sheet date in respect of such cases	Rs. 2,86,101	-	Rs 4874.51	
- Subsidiaries	-	-	-	
- Joint Ventures	-	-	-	
- Associates	-	-	-	
- Others	-	-	-	

## Independent Auditor's Report

- (b) According to the information and explanations given to us and based on the audit procedures performed by us, we are of the opinion that the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided are not prejudicial to the company's interest.
- (c) According to the information and explanations given to us and based on the audit procedures performed by us, we are of the opinion that in respect of the loans and advances in the nature of loans, the schedule of repayment of principal and payment of interest have not been stipulated.
- (d) According to the information and explanations given to us and based on the audit procedures performed by us, in the absence of stipulation of repayment schedule

we are unable to comment if any amount is overdue for more than ninety days.

- (e) According to the information and explanations given to us and based on the audit procedures performed by us and the fact that there are no stipulation for repayment, we are of the opinion that no loan or advance in the nature of loan granted which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.
- (f) According to the information and explanations given to us and based on the audit procedures performed by us, we are of the opinion that the company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment, except as under:

	<b>All Parties (Rs in Lacs)</b>	<b>Promoters (Rs in Lacs)</b>	<b>Related Parties (Rs in Lacs)</b>
Aggregate amount of loans/ advances in nature of loans			
- Repayable on demand (A)	Rs. 4874.51	-	Rs. 4874.51
- Agreement does not specify any terms or period of repayment (B)			
<b>Total (A+B)</b>	<b>Rs 4874.51</b>	<b>-</b>	<b>Rs 4874.51</b>
Percentage of loans/ advances in nature of loans to the total loans	100%	-	100%

- (iv) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 with respect of loans given, investment made, guarantees and security given.
- (v) The Company has not accepted deposits from the public or amounts that are deemed to be deposits pursuant to sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and rules framed thereunder. As informed to us, there is no order that has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other tribunal in respect of the said sections.
- (vi) As informed to us, the maintenance of the cost records under the sub-section (1) of section 148 of the Companies Act, 2013 has been prescribed and we are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have not, however, carried out a detailed examination of the records to ascertain whether they are accurate or complete.
- (vii) (a) The Company has been generally regular in depositing undisputed statutory dues including Goods and Services Act, Provident fund, Employees State Insurance, Income Tax, Sales Tax, Service Tax, duty of Customs, duty of Excise, Value Added Tax, Cess and other statutory dues to the appropriate authorities

## Independent Auditor's Report

during the year. According to the information and explanations given to us, no undisputed amount payable in respect of the aforesaid dues were outstanding as at March 31, 2022 for a period of more than six months from the date they became payable

(b) According to the information and explanations given to us, there are no statutory dues referred to in sub-clause (a) which have not been deposited on account of any dispute except as given below:

Name of statute	Nature of dues	Amount (Rs in Lacs)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Demand under u/s 153A	1956.01	AY 2007-08 to 2011-12	Commissioner of Income-Tax (Appeals)
Income Tax Act, 1961	Demand under u/s 143(3)	2107.14	AY 2012-13, and AY 2016-17	
Income Tax Act, 1961	Demand of Penalty u/s 271(1)(c)	1715.40	A.Y. 2007-08 to A.Y. 2011-12	
Income Tax Act, 1961	Income Tax Act, 1961 Demand U/s 143(3)	175.07	AY 2017-18 and AY 2018-19	Under rectification
Income Tax Act, 1961	Income Tax Act, 1961 Demand U/s 143(1)	24.80	AY 2015-16 and AY 2019-20	Under rectification
<b>Total</b>		<b>5978.42</b>		

(viii) According to the information and explanations given to us and to the best of our knowledge and belief there are no transactions that were not recorded in the books of account, and which has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

(ix) (a) According to the information and explanations given to us and based on the audit procedures performed by us, we are of the opinion that the company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) In our opinion and according to the information and explanations given to us, the Company has not obtained any by way of term loans during the year.

(d) According to the information and explanations given to us, and the audit procedures performed by us, and on an overall examination of the financial statements of the company, we report that no fresh funds raised on short-term basis have been used for long-term purposes by the company.

(e) According to the information and explanations given to us and on an overall examination of the financial statements of the company, we report that the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

(f) According to the information and explanations given to us and audit procedures performed by us, we report that the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.

(x) (a) The company has not raised any money by way of initial public offer / further public offer (including debt instruments) during the year.

## Independent Auditor's Report

- (b) According to the information and explanations given to us and based on the audit procedures performed we report that {the Company has not made any preferential allotment / private placement of shares / fully / partly / optionally convertible debentures during the year under review.
- (xi) (a) According to the information and explanations given to us and to the best of our knowledge and belief no fraud by the Company or any fraud on the Company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed by us in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government and hence clause 3(xi)(b) of the Companies (Auditors Report) Order 2020 is not applicable to the company.
- (c) According to the information and explanations given to us and to the best of our knowledge and belief no whistle-blower complaints have been received during the year by the company.
- (xii) The Company is not a Nidhi Company and hence clauses 3(xii)(a), 3(xii) (b) and 3(xii)(c) of the Companies (Auditors Report) Order 2020 is not applicable to the Company.
- (xiii) All transactions with the related parties are in compliance with sections 177 and 188 of the Companies Act, 2013 in so far as our examination of the proceedings of the meetings of the Audit Committee and Board of Directors are concerned. The details of related party transactions have been disclosed in the Financial Statements as required by the applicable Accounting Standards.
- (xiv) (a) In our opinion and based on our examination, the company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the company issued till date, for the period under audit.
- (xv) According to the information and explanations given to us, in our opinion during the year the company has not entered into any non-cash transactions with its directors or persons connected with its directors.
- (xviii) (a) The nature of business and the activities of the Company are such that the Company is not required to obtain registration under section 45-IA of the Reserve Bank of India Act 1934 and hence sub-clause 3(xvi)(a), 3(xvi) (b) and 3(xvi)(c) of the Companies (Auditors Report) Order, 2020 is not applicable to the company.
- (d) According to the information and explanations given to us, in our opinion during the year, the Group does not have any CICs as part of the Group.
- (xix) On an examination of the Statement of Profit and Loss account, we are of the opinion that the Company has incurred cash losses amounting to Rs 492.23 lacs in the financial year and but has not incurred any cash losses in the immediate previous financial year.
- (xx) There has been no resignation of the statutory auditors during the year and accordingly clause (3)(xviii) Companies (Auditors Report) Order 2020 is not applicable to the Company.
- (xxi) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions and also our paragraph on material uncertainty relating to going concern casting significant doubts, we are of the opinion that there exists material uncertainties in the management assumptions relating to the company's capability of meeting the financial liabilities existing as at the Balance sheet date as and when they fall due within next 12 months which casts significant doubts on the management ability to meet the liabilities as and when they fall due.

## Independent Auditor's Report

(xxii) The Company is not required to spend towards Corporate Social Responsibility (CSR) for the year under audit and hence sub-clauses (3)(xx)(a) and 3(xx)(b) of The Companies (Auditors Report) Order 2020 is not applicable to the Company.

For **Nayan Parikh & Co.**  
Chartered Accountants  
Firm Registration No- 107023W

**KN Padmanabhan**  
Partner  
M. No. – 036410

Mumbai, Dated: September 01, 2022  
UDIN: 22036410AQPFGA1232

## Independent Auditor's Report

### Annexure – B to the Auditors' Report

**(Referred to in para 2(f) under 'Report on Other Legal and Regulatory requirement' section of our report to the Members of AJR Infra and Tolling Limited of even date).**

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

We have audited the internal financial controls with reference to Standalone Financial Statements of AJR Infra and Tolling Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the Standalone Financial Statement 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 with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to Standalone Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal

financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 with reference to Financial Statements 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 with reference to Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Standalone Financial Statements included obtaining an understanding of internal financial controls with reference to Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

#### Meaning of Internal Financial Controls with reference to Financial Statements

A company's internal financial control with reference to Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to Financial Statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the 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 authorisations of



## Independent Auditor's Report

management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### Inherent Limitations of Internal Financial Controls with reference to Financial Statements.

Because of the inherent limitations of Financial controls with reference to Financial Statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to Financial Statements to future periods are subject to the risk that the internal financial control with reference to Financial Statements 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 with reference to standalone Financial Statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Nayan Parikh & Co.**  
Chartered Accountants  
Firm Registration No- 107023W

**KN Padmanabhan**  
Partner  
M. No. – 036410

Mumbai, Dated: September 01, 2022  
UDIN: 22036410AQPFGA1232

# Standalone Balance Sheet

as at 31<sup>st</sup> March, 2022

Particulars	Note Ref	(₹ in Lakhs)	
		As at Mar 31, 2022	As at Mar 31, 2021
<b>ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Property, Plant and Equipment	2	9.08	17.35
(b) Financial Assets	3		
(i) Investments in Subsidiaries, Joint Ventures and Associates	3.1	89,831.95	110,320.41
(ii) Trade receivables	3.2	213.46	5,088.46
(iii) Loans	3.4	3,484.92	2,453.59
(iv) Other Financial Assets	3.5	80,564.61	119,379.42
(c) Deferred Tax Asset, Net	4	-	-
(d) Other non current assets	5	4,542.08	4,534.22
		<b>178,646.10</b>	<b>241,793.45</b>
<b>(2) Current Assets</b>			
(a) Financial Assets	3		
(i) Investments in Subsidiaries, Joint Ventures and Associates	3.1	-	-
(ii) Other Investments	3.1	5,183.15	5,062.78
(iii) Trade receivables	3.2	310.94	2,893.94
(iv) Cash and cash equivalents	3.3	58.37	28.63
(v) Bank balances	3.3	11.50	111.31
(vi) Loans	3.4	-	-
(vii) Others Financial Assets	3.5	4,614.51	5,755.05
(b) Other current assets	5	284.64	291.37
		<b>10,463.11</b>	<b>14,143.08</b>
<b>Total Assets</b>		<b>189,109.21</b>	<b>255,936.53</b>
<b>EQUITY &amp; LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share capital	6	18,917.64	18,917.64
(b) Other Equity	7	10,816.49	66,490.28
		<b>29,734.13</b>	<b>85,407.92</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
(a) Financial Liabilities	8		
(i) Borrowings	8.1	-	-
(ii) Other financial liabilities	8.2	3,832.77	3,832.77
(b) Provisions	9	9.00	5.53
(c) Deferred Tax Liability, Net	4	256.10	202.92
(d) Other Non-current liabilities	10	3,138.35	3,583.85
		<b>7,236.22</b>	<b>7,625.07</b>
<b>Current liabilities</b>			
(a) Financial Liabilities	8		
(i) Borrowings	11	10,832.46	14,425.60
(ii) Trade payables			
<b>Total outstanding dues of Micro &amp; Small Enterprise</b>		-	-
<b>Total outstanding dues of creditors other than Micro &amp; Small Enterprise</b>	12	2,054.74	2,150.54
(iii) Other financial liabilities	8.2	122,508.54	118,982.57
(b) Provisions	9	2,069.33	2,091.04
(c) Current tax liability	13	-	-
(d) Other current liabilities	10	14,673.79	25,253.79
		<b>152,138.86</b>	<b>162,903.54</b>
<b>Total Equity and Liabilities</b>		<b>189,109.21</b>	<b>255,936.53</b>

As per our report of even date  
For **NAYAN PARIKH & CO.**  
ICAI Firm Registration No. : 107023W  
Chartered Accountants

**K N Padmanabhan**  
Partner  
M.No. 036410

Place : Mumbai  
Dated : September 01, 2022

For and on behalf of the Board of Directors of  
**AJR INFRA AND TOLLING LIMITED**

**Jaysingh Ashar**  
Director  
DIN: 07015068

**Vinay Sharma**  
Chief Financial Officer

**Mineel Mali**  
Whole-Time Director  
DIN: 06641595

**Kaushal Shah**  
Company Secretary  
M. No. ACS 18501

# Standalone Statement of Profit & Loss

for the year ended 31<sup>st</sup> March, 2022

Particulars		Note	2021-22	2020-21
(₹ in Lakhs)				
<b>I</b>	<b>Revenue from Operations</b>	14	-	62.64
<b>II</b>	<b>Other Income</b>	15	<b>2,676.75</b>	4,161.44
<b>III</b>	<b>Total Income (I +II)</b>		<b>2,676.75</b>	<b>4,224.08</b>
<b>IV</b>	<b>Expenses:</b>			
	Construction expenses	16	-	47.86
	Employee benefit expenses	17	<b>52.32</b>	56.55
	Finance Costs	18	<b>6.94</b>	395.91
	Depreciation & amortization	19	<b>5.23</b>	5.67
	Other expenses	20	<b>968.94</b>	357.32
	<b>Total Expenses</b>		<b>1,033.43</b>	<b>863.31</b>
<b>V</b>	<b>Profit before exceptional Item and tax (iv-iii)</b>		<b>1,643.32</b>	<b>3,360.77</b>
VI	Exceptional Items – Income / (Expense)		<b>(57,265.14)</b>	-
<b>VII</b>	<b>Profit before tax</b>		<b>(55,621.82)</b>	<b>3,360.77</b>
<b>VIII</b>	<b>Tax expenses</b>	21	<b>53.18</b>	<b>2,736.08</b>
	Current Tax		-	-
	Taxation for earlier years		-	(37.16)
	Deferred Tax Liability / (asset)		<b>53.18</b>	2,773.24
	<b>Profit for the period ( XIV+XI)</b>			
<b>IX</b>	<b>Profit for the period</b>		<b>(55,675.00)</b>	<b>624.69</b>
	<b>Other Comprehensive Income</b>			
	Items that will not be reclassified subsequently to profit or loss			
	Remeasurement of defined benefit plans		<b>1.21</b>	(0.92)
	Tax effect thereon			
<b>X</b>	<b>Other Comprehensive Income for the period, net of tax</b>		<b>1.21</b>	(0.92)
<b>XI</b>	<b>Total comprehensive income for the period</b>		<b>(55,673.79)</b>	<b>623.77</b>
	<b>Earnings per equity share</b>			
	Earnings per equity share [nominal value of share Rs. 2/-]	22		
	Basic		<b>(5.91)</b>	0.07
	Diluted		<b>(5.91)</b>	0.07

As per our report of even date  
For **NAYAN PARIKH & CO.**  
ICAI Firm Registration No. : 107023W  
Chartered Accountants

For and on behalf of the Board of Directors of  
**AJR INFRA AND TOLLING LIMITED**

**K N Padmanabhan**  
Partner  
M.No. 036410

**Jaysingh Ashar**  
Director  
DIN: 07015068

**Mineel Mali**  
Whole-Time Director  
DIN: 06641595

Place : Mumbai  
Dated : September 01, 2022

**Vinay Sharma**  
Chief Financial Officer

**Kaushal Shah**  
Company Secretary  
M. No. ACS 18501

# Standalone Statement of Cash Flow

for the year ended 31<sup>st</sup> March, 2022

<i>(All figures are in Lacs unless otherwise stated)</i>		
Particulars	2021-22	2020-21
<b>Cash flows from operating activities</b>		
Profit /(loss) before tax	(55,621.82)	3,360.78
<b>Adjustments:</b>		
Depreciation & amortization	5.23	5.67
Guarantee Commission	(604.39)	(632.61)
Interest received on FD & Banks	(104.69)	(87.69)
W/back on account of one time settlement (OTS)	(1,401.45)	-
Profit on sale of current investment	(1.43)	(9.76)
Loss on Sale of investement	483.11	-
Net gain on financial asset through FVTPL	(168.95)	(256.24)
Write back of provision	(329.79)	(282.39)
Sundry Balances W/back	(66.05)	(2,886.93)
Interest Expenses	6.93	364.63
Property Plant Equipment Written off	3.62	-
Provision for doubtful advance	3.06	31.65
Exceptional Item	57,265.14	-
Sundry balances written off	77.30	1.36
<b>Operating cash flows before working capital changes and other assets</b>	<b>(454.18)</b>	<b>(391.53)</b>
Decrease/ (increase) in financial Assets	1,089.63	140.63
Decrease/ (increase) in Other assets	(52.18)	(43.90)
(Decrease) / increase in financial liabilities	(129.50)	185.42
(Decrease) / increase in Non- financial liabilities	(3.83)	(24.96)
(Decrease) / increase in provisions	(17.04)	0.86
<b>Cash generated from operations</b>	<b>432.90</b>	<b>(133.48)</b>
Income taxes refund / (paid), net	(7.85)	(8.24)
<b>Net cash generated from in operating activities</b>	<b>425.05</b>	<b>(141.72)</b>
<b>Cash flows from investing activities</b>		
Purchase of Mutual Funds	-	(475.00)
Proceeds from Sale of Mutual Funds	50.00	772.76
Movement in Other Bank Balance	(73.09)	(81.11)
Sale of Non current investment	2,640.00	-
Purchase of Fixed Assets	(0.59)	-
Intercorporate loan Given	(1,129.00)	-
Intercorporate loan Received Back	427.00	-
Interest received	81.28	88.10
	<b>1,995.60</b>	<b>304.75</b>

## Standalone Statement of Cash Flow

for the year ended 31<sup>st</sup> March, 2022

Particulars	(All figures are in Lacs unless otherwise stated)	
	2021-22	2020-21
<b>Cash flows from financing activities</b>		
Net Proceed/(Repayment) from Short term borrowings	(2,484.00)	-
Interest paid	(6.72)	(200.00)
<b>Net cash used in financing activities</b>	<b>(2,490.72)</b>	<b>(200.00)</b>
<b>Net increase / decrease in cash and cash equivalents</b>	<b>(70.07)</b>	<b>(36.97)</b>
Cash and cash equivalents at the beginning of the period	139.94	176.91
Cash and cash equivalents at the end of the period	69.87	139.94
	<b>(70.07)</b>	<b>(36.97)</b>

As per our report of even date  
For **NAYAN PARIKH & CO.**  
ICAI Firm Registration No. : 107023W  
Chartered Accountants

For and on behalf of the Board of Directors of  
**AJR INFRA AND TOLLING LIMITED**

**K N Padmanabhan**  
Partner  
M.No. 036410

**Jaysingh Ashar**  
Director  
DIN: 07015068

**Mineel Mali**  
Whole-Time Director  
DIN: 06641595

Place : Mumbai  
Dated : September 01, 2022

**Vinay Sharma**  
Chief Financial Officer

**Kaushal Shah**  
Company Secretary  
M. No. ACS 18501

# Statement of Changes in Equity

## A. Equity

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number of Shares	Rs. in lacs	Number of Shares	Rs. in lacs
Equity shares of INR 2 each issued, subscribed and fully paid				
Balance at the beginning of the reporting period	941,830,724	18,836.61	941,830,724	18,836.61
Changes due to prior period errors	-	-	-	-
Restated balance at the beginning of the current reporting period	941,830,724	18,836.61	941,830,724	18,836.61
Changes in equity share capital during the year	-	-	-	-
<b>Balance at the end of Reporting period</b>	<b>941,830,724</b>	<b>18,836.61</b>	<b>941,830,724</b>	<b>18,836.61</b>

## B. Other Equity

Particulars	Reserves and Surplus				Total
	Retained Earnings	General Reserve	Securities Premium	Employee Stock Option Outstanding	
Opening balance	9,461.55	23.96	56,369.47	11.52	65,866.50
Changes during the current year	624.70	-	-	-	624.70
Remeasurement of defined benefit plans	(0.92)	-	-	-	(0.92)
<b>Balance at the end of year ended 31 March 2021</b>	<b>10,085.33</b>	<b>23.96</b>	<b>56,369.47</b>	<b>11.52</b>	<b>66,490.28</b>
Changes during the current year	(55,675.00)	-	-	-	(55,675.00)
Remeasurement of defined benefit plans	1.21	-	-	-	1.21
<b>Balance at the end of year ended 31 March 2022</b>	<b>(45,588.46)</b>	<b>23.96</b>	<b>56,369.47</b>	<b>11.52</b>	<b>10,816.49</b>

Remeasurement of defined benefit plan Rs 1.21 lacs (PY Rs 0.92 lacs) is recognised as part of retained earnings.

As per our report of even date  
For **NAYAN PARIKH & CO.**  
ICAI Firm Registration No. : 107023W  
Chartered Accountants

For and on behalf of the Board of Directors of  
**AJR INFRA AND TOLLING LIMITED**

**K N Padmanabhan**  
Partner  
M.No. 036410

**Jaysingh Ashar**  
Director  
DIN: 07015068

**Mineel Mali**  
Whole-Time Director  
DIN: 06641595

Place : Mumbai  
Dated : September 01, 2022

**Vinay Sharma**  
Chief Financial Officer

**Kaushal Shah**  
Company Secretary  
M. No. ACS 18501



# Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2022

(All figures are in lacs unless otherwise stated)

## Note : 1 – Significant Accounting policies and Other Related Notes

### A Background

The Company is an infrastructure development company formed primarily to develop, invest in and manage various initiatives in the infrastructure sector. It is presently engaged in the development of various infrastructure projects in sectors like transportation, energy and urban infrastructure through several special purpose vehicles ("SPVs"). It is also engaged in carrying out operation and maintenance ("O&M") activities for the transportation sector projects.

The financial statements were authorised for issue in accordance with the resolution passed at the meeting of the board of directors on September 01, 2022

### B Recent Pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under the Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022 MCA notified the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1, 2022, as below

#### i) Ind AS 103 – Reference to Conceptual Framework

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired, and liabilities assumed must meet the definition of assets and liabilities at the acquisition date in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India. These changes do not significantly change the requirements of Ind AS 103. The Company does not expect the amendment to have any significant impact on its financial statements.

#### ii) Ind AS 16 – Proceeds before intended use

The amendment clarifies that excess of net sales proceeds of items produced over the cost of testing, if any, shall not be recognized in the profit or loss but deducted from the

directly attributable costs considered as part of cost of an item of property, plant and equipment. The Company does not expect the amendment to have any material impact in its recognition of its property, plant and equipment in its financial statements

#### iii) Ind AS 109 – Annual Improvements to Ind AS (2021)

The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognize a financial liability. The Company does not expect the amendment to have any significant impact on its financial statements.

#### iv) Ind AS 106 – Annual Improvements to Ind AS (2021)

The amendments remove the illustration of the reimbursement of lease hold improvement by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration. The Company does not expect the amendment to have any significant impact on its financial statements

### C Basis of Preparation

These financial statements are Standalone Financial Statements and are prepared in accordance with Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

The standalone financial statements are presented in INR and all values are rounded to the nearest Rupees in lacs, except otherwise stated.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The classification of assets and liabilities of the Company is done into current and non-current based on the operating cycle of the business of the Company. The operating cycle of the business of the Company is less than twelve months and therefore all current and non-current classifications

## Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2022

are done based on the status of realisability and expected settlement of the respective asset and liability within a period of twelve months from the reporting date as required by Schedule III to the Companies Act, 2013.

### D Use of estimates

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgements and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of circumstances surrounding the estimates. Changes in estimates are reflected in the financial statement in the period in which changes are made and if material, their effects are disclosed in the notes to the financial statements.

### E Summary of significant accounting policies

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle

#### a) Current and non-current classification

The Company presents assets and liabilities in the balance sheet based on current/non-current classification.

An asset is current when :

- It is expected to be realised or intended to be sold or consumed in normal operating cycle or
- It is held primarily for the purpose of trading or
- It is expected to be realised within twelve months after the reporting period, or

*(All figures are in lacs unless otherwise stated)*

- It is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when :

- It is expected to be settled in normal operating cycle or
- It is held primarily for the purpose of trading or
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

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

#### b) Revenue Recognition

Revenue is measured based on the fair value of the consideration that is specified in a contract with a customer or is expected to be received in exchange for the products or services and excludes amounts collected on behalf of third parties. Revenue is recognised upon transfer of control of promised products or services to customers.

To recognise revenues, the Company applies the following five step approach

- (1) identify the contract with a customer,
- (2) Identify the performance obligations in the contract,
- (3) determine the transaction price,
- (4) allocate the transaction price to the performance obligations in the contract.
- (5) recognize revenues when a performance obligation is satisfied

The revenue is recognised when (or as) the performance obligation is satisfied, which

## Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2022

typically occurs when (or as) control over the products or services is transferred to a customer.

Contract modification are accounted for when addition, deletions or changes are approved either to the contract scope or contract price. The accounting for modification of contract involves assessment whether the services added to the existing Contract or distinct and whether the pricing is at the standalone selling price. Services added that are not distinct are accounted for on a cumulative catchup basis, while those that are distinct are accounted prospectively, either as a separate contract, if the separate service are priced at standalone selling price, or a termination of the existing contract and creation of a new contract if not priced at standalone selling price.

### i) **Contract revenue (construction contracts)**

The company has single performance obligation of construction activity, income is recognised over time based on the progress of the work i.e., cost incurred during the period and margin on the Construction Activity.

Contract revenue and contract cost associated with the construction of road are recognised as revenue and expenses respectively by reference to the stage of completion of the projects at the balance sheet date. The stage of completion of project is determined by the proportion that contract cost incurred for work performed upto the balance sheet date bear to the estimated total contract costs. Where the outcome of the construction cannot be estimated reliably, revenue is recognised to the extent of the construction costs incurred if it is probable that they will be recoverable. If total cost is estimated to exceed total contract revenue, the Company provides for foreseeable loss. Contract revenue earned in excess of billing has been reflected as unbilled revenue and billing in excess of contract

*(All figures are in lacs unless otherwise stated)*

revenue has been reflected as unearned revenue.

Company's operations involve levying of value added tax (VAT)/GST on the construction work. Sales tax/VAT/GST is not received by the Company on its own account.

### ii) **Operation and Maintenance income:**

Revenue on Operation and Maintenance contracts are recognized over the period of the contract as per the terms of the contract.

### iii) **Interest income:**

For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss.

### iv) **Dividend income:**

Dividend is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

### v) **Finance and Other Income ( including remeasurement Income)**

Finance income is accrued on a time proportion basis, by reference to the principal outstanding and the applicable EIR. Other income is accounted for on accrual basis. Where the receipt of

## Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2022

*(All figures are in lacs unless otherwise stated)*

income is uncertain, it is accounted for on receipt basis.

### vi) Financial guarantee income

Under Ind AS, financial guarantees given by the Company for its subsidiaries are initially recognised as a liability at fair value which is subsequently amortised as income to the Statement of Profit and Loss on a time proportion basis.

### c) Property, Plant and Equipment (PPE)

- i) Property, Plant and Equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Cost comprises of purchase price inclusive of taxes, commissioning expenses, etc. upto the date the asset is ready for its intended use.
- ii) Significant spares which have a usage period in excess of one year are also considered as part of Property, Plant and Equipment and are depreciated over their useful life.
- iii) Borrowing costs on Property, Plant and Equipments are capitalised when the relevant recognition criteria specified in Ind AS 23 Borrowing Costs is met.
- iv) Decommissioning costs, if any, on Property, Plant and Equipment are estimated at their present value and capitalised as part of such assets.
- v) Depreciation on all assets of the Company is charged on straight line basis over the useful life of assets at the rates and in the manner provided in Schedule II of the Companies Act 2013 for the proportionate period of use during the year. Depreciation on assets purchased /installed during the year is calculated on a pro-rata basis from the date of such purchase /installation.
- vi) An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss

arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

- vii) The residual values and useful lives of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.
- viii) Leasehold improvements is amortized on a straight line basis over the period of lease.

### d) Intangible assets

- i) Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.
- ii) The useful lives of intangible assets are assessed as either finite or indefinite.
- iii) Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless

## Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2022

*(All figures are in lacs unless otherwise stated)*

such expenditure forms part of carrying value of another asset.

- (iv) Intangible Assets without finite life are tested for impairment at each Balance Sheet date and Impairment provision, if any are debited to profit and loss.
- (v) Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

### e) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

### f) Impairment of assets

Assets with an indefinite useful life and goodwill are not amortized/ depreciated and are tested annually for impairment. Assets subject to amortization/depreciation are tested for impairment provided that an event or change in circumstances indicates that their carrying amount might not be recoverable. An impairment loss is recognized in the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher between an asset's fair value less sale costs and value in use. For the purposes of assessing impairment, assets are grouped together at the lowest level for which there are separately identifiable cash flows (cash-generating units).

Non-financial assets other than goodwill for which impairment losses have been

recognized are tested at each balance sheet date in the event that the loss has reversed.

### g) Equity and mutual fund investment

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by instrument basis. The classification is made on initial recognition and is irrevocable. If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to statement of profit and loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity. Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

Investment in subsidiaries, joint venture and associates are carried at Cost in separate financial Statement less impairment if any.

Current Investments :-Investments that are readily realisable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as non-current investments.

Current investments: are carried at fair value with the changes in fair value taken through the statement of Profit and Loss.

### h) Inventories

Inventories are valued at the lower of cost and net realisable value.

Stores and materials are valued at lower of cost and net realizable value. Net realizable value is the estimated selling price less estimated cost necessary to make the sale. The weighted average method of inventory

## Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2022

*(All figures are in lacs unless otherwise stated)*

valuation is used to determine the cost.

### i) Taxes

#### i) Current Income Tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the company and its subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

#### ii) Deferred Tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the standalone financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is

realised or the deferred income tax liability is settled. Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

#### iii) MAT Credit:

Minimum Alternate Tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Company recognises MAT credit available as a deferred tax asset only to the extent that there is reasonable certainty that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. The MAT credit to the extent there is reasonable certainty that the Company will utilise the credit is recognised in the Statement of profit and loss and corresponding debit is done to the Deferred Tax Asset as unused tax credit.

### j) Leases

The Company's lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the



## Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2022

*(All figures are in lacs unless otherwise stated)*

Company has the right to direct the use of the asset

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the

future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

### k) Earnings per share

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

### l) Provisions, Contingent Liabilities and Contingent Assets

#### i) Provisions

The Company recognizes a provision when: it has a present legal or constructive obligation as a result of past events; it is likely that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognized for future operating losses. Provisions are reviewed at each balance sheet and adjusted to reflect the current best estimates.

#### ii) Contingent liabilities and Contingent Assets

A contingent liability recognised in a business combination is initially measured at its fair value. Subsequently,

## Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2022

it is measured at the higher of the amount that would be recognised in accordance with the requirements for provisions above or the amount initially recognised less, when appropriate, cumulative amortisation recognised in accordance with the requirements for revenue recognition.

A contingent assets is not recognised unless it becomes virtually certain that an inflow of economic benefits will arise. When an inflow of economic benefits is probable, contingent assets are disclosed in the financial statements. Contingent liabilities and contingent assets are reviewed at each balance sheet date.

### m) Employee Benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service.

Gratuity, a defined benefit obligation is provided on the basis of an actuarial valuation made at the end of each year/period on projected Unit Credit Method.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

*(All figures are in lacs unless otherwise stated)*

Past service costs are recognised in profit or loss on the earlier of:

- ▶ The date of the plan amendment or curtailment, and
- ▶ The date that the Company recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.

### n) Termination Benefits

Termination benefits are payable as a result of the company's decision to terminate employment before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The company recognizes these benefits when it has demonstrably undertaken to terminate current employees' employment in accordance with a formal detailed plan that cannot be withdrawn, or to provide severance indemnities as a result of an offer made to encourage voluntary redundancy. Benefits that will not be paid within 12 months of the balance sheet date are discounted to their present value.

### o) Employee Share – based payment plans ('ESOP')

The Company accounts for the benefits of Employee share based payment plan in accordance with IND AS 102 "Share Based Payments" except for the ESOP granted before the transition date which are accounted as per the previous GAAP as provided in IND AS 101 first time adoption

### p) Foreign Currencies

#### Transactions and Balances

Transactions in foreign currencies are initially recorded in reporting currency by the Company at spot rates at the date of transaction. The Company's functional currency and reporting currency is same i.e. INR.

Monetary assets and liabilities denominated in foreign currencies are translated at the

## Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2022

(All figures are in lacs unless otherwise stated)

functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

### q) Cash and cash equivalents

Cash and cash equivalents include cash in hand, demand deposits in banks and other short-term highly liquid investments with original maturities of three months or less. Bank overdrafts are shown within bank borrowings in current liabilities on the balance sheet.

### r) Fair Value Measurement

The Company measures financial instruments, such as, derivatives 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 is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

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

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

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

### s) Financial instruments

#### A Initial recognition

##### i) Financial Assets & Financial Liabilities

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, that are not at fair value through profit or loss, are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date.

##### ii) Equity Instruments

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments which are issued for cash are recorded at the proceeds received, net of direct issue costs. Equity instruments which are issued for consideration other than cash are recorded at fair value of the equity instrument.

#### B Subsequent measurement

##### i) Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial

## Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2022

(All figures are in lacs unless otherwise stated)

asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

### ii) Financial assets at fair value through other comprehensive income

A financial asset is subsequently 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 on the principal amount outstanding. The Company has made an irrevocable election for its investments which are classified as equity instruments to present the subsequent changes in fair value in other comprehensive income based on its business model. Further, in cases where the Company has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income.

### iii) Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

### iv) Financial liabilities at amortised cost

Financial liabilities are subsequently carried at amortized cost using the effective interest method, except for contingent consideration recognized in a business combination which is subsequently measured at fair value through profit and loss. 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 liabilities.

### v) Financial liabilities at FVPL

Financial liabilities at FVPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVPL. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Gains or losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation. Amortisation is recognised as finance income in the Statement of Profit and Loss.

### C De-recognition of Financial Assets

The Company de-recognises a financial asset only when the contractual rights to the cash flows from the asset expire, or it transfers the financial asset and substantially all risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the assets and an associated liability for amounts it may have to pay. If the Company retains substantially all

## Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2022

*(All figures are in lacs unless otherwise stated)*

the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

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

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently 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.

### **t) Dividend Distribution**

Dividend distribution to the Company's equity holders is recognized as a liability in the Company's annual accounts in the year in which the dividends are approved by the Company's equity holders.

### **u) Exceptional Items**

When items of income and expense within profit or loss from ordinary activities are of such size, nature or incidence that their disclosure is relevant to explain the performance of the enterprise for the period, the nature and amount of such material items are disclosed separately as exceptional items.

### **v) Trade Payables**

A payable is classified as a 'trade payable' if it is in respect of the amount due on account of goods purchased or services received in the normal course of business. These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial year which are unpaid. These amounts are unsecured and are usually settled as per the payment terms stated in the contract. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the EIR method.

### **w) Trade Receivable**

A receivable is classified as a 'trade receivable' if it is in respect of the amount due on account of goods sold or services rendered in the normal course of business. Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the EIR method, less provision for impairment.

## Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2022

(All figures are in lacs unless otherwise stated)

### 2 Property, Plant and Equipment and Intangible assets

Details of Additions, Adjustments, Depreciation and Net Block – Asset class wise upto March 31 2022

Particulars	Furniture & Fixtures	Office Equipments	Computers	Motor Vehicles	Total
<b>Cost or valuation</b>					
<b>As at March 31, 2020</b>	<b>27.24</b>	<b>34.69</b>	<b>0.96</b>	<b>56.52</b>	<b>119.42</b>
Additions	-	-	-	-	-
Sales/Disposals/Adjustments	-	-	-	-	-
<b>As at March 31, 2021</b>	<b>27.24</b>	<b>34.69</b>	<b>0.96</b>	<b>56.52</b>	<b>119.42</b>
Additions	-	-	0.58	-	0.58
Sales/Disposals/Adjustments	(27.24)	(34.69)	(0.96)	(37.92)	(100.82)
<b>As at March 31, 2022</b>	<b>-</b>	<b>-</b>	<b>0.58</b>	<b>18.60</b>	<b>19.19</b>
<b>Depreciation</b>					
<b>As at March 31, 2020</b>	<b>18.29</b>	<b>33.91</b>	<b>0.86</b>	<b>43.36</b>	<b>96.41</b>
Charge for the period	2.72	0.51	0.10	2.33	5.66
Sales/Disposals/Adjustments	-	-	-	-	-
<b>As at March 31, 2021</b>	<b>21.01</b>	<b>34.42</b>	<b>0.96</b>	<b>45.68</b>	<b>102.06</b>
Charge for the period	2.66	0.23	0.02	2.33	5.23
Sales/Disposals/Adjustments	(23.67)	(34.64)	(0.96)	(37.93)	(97.20)
<b>As at March 31, 2022</b>	<b>-</b>	<b>-</b>	<b>0.02</b>	<b>10.08</b>	<b>10.10</b>
<b>Net Block Value</b>					
<b>As at March 31, 2020</b>	<b>8.96</b>	<b>0.78</b>	<b>0.11</b>	<b>13.16</b>	<b>23.01</b>
<b>As at March 31, 2021</b>	<b>6.23</b>	<b>0.28</b>	<b>-</b>	<b>10.84</b>	<b>17.35</b>
<b>As at March 31, 2022</b>	<b>-</b>	<b>-</b>	<b>0.56</b>	<b>8.52</b>	<b>9.08</b>

- i) The Company has carried out the exercise of assessment of any indications of impairment to its property, plant and equipment as on the Balance Sheet date. Pursuant to such exercise Rs 3.62 Lacs has been impaired during the year.



## Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2022

(All figures are in lacs unless otherwise stated)

		As at		As at	
		March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
<b>3</b>	<b>Financial Assets</b>				
		<b>Non-Current</b>		<b>Current</b>	
<b>3.1</b>	<b>A Investments in Subsidiaries, Joint Ventures and Associates (At Cost)</b>				
	i) Equity Instrument of Subsidiaries	<b>19,528.38</b>	46,904.05	-	-
	Equity Instrument of Subsidiaries impaired	<b>30,668.04</b>	10,273.17	-	-
	Less: Provision for Impairment	<b>(30,668.04)</b>	(10,273.17)	-	-
	ii) Equity Instruments in Subsidiaries ( to be accounted at FVTPL)	<b>39,016.37</b>	31,109.86	-	-
	iii) Quasi Equity of Equity Instruments in Subsidiaries (to be accounted at FVTPL)	<b>12,673.25</b>	12,673.25	-	-
	iv) Beneficial Interest in Equity Shares of Subsidiaries	<b>2,640.72</b>	2,640.72	-	-
	Beneficial Interest in Equity Shares of Subsidiaries impaired	<b>74.18</b>	74.18	-	-
	Less: Provision for Impairment	<b>(74.18)</b>	(74.18)	-	-
	v) Equity instruments of Joint Venture Companies impaired	<b>307.08</b>	307.08	-	-
	Less: Provision for Impairment	<b>(307.08)</b>	(307.08)	-	-
	vi) Equity instruments of Associate Companies impaired	<b>4,076.99</b>	219.30	-	-
	Less: Provision for Impairment	<b>(1,029.23)</b>	(219.30)	-	-
	vii) Quasi Equity	<b>12,925.47</b>	16,992.53	-	-
	Quasi Equity Impaired	<b>4,067.07</b>	-	-	-
	Less: Provision for Impairment	<b>(4,067.07)</b>	-	-	-
	<b>Total</b>	<b>89,831.95</b>	<b>110,320.41</b>	<b>-</b>	<b>-</b>
	<b>B Other Investments (At Fair value through P&amp;L)</b>				
	i) Liquid Mutual Funds	-	-	<b>5,183.15</b>	5,062.78
	<b>Total</b>	<b>-</b>	<b>-</b>	<b>5,183.15</b>	<b>5,062.78</b>
	<b>Disclosure:</b>				
	i) Investment Carried at Cost	<b>38,142.34</b>	66,537.30	-	-
	ii) Investments carried at fair value through Profit and Loss	<b>51,689.61</b>	43,783.11	<b>5,183.15</b>	5,062.78

## Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2022

(All figures are in lacs unless otherwise stated)

### Details of Investments

Particulars	Face Value	March 31, 2022		March 31, 2021	
		In Rs.	Nos	Amount	Nos
<b>A Non Current Investments:-</b>					
Unquoted					
Equity Instrument at Cost					
Investment in equity instruments of Subsidiaries (Fully paid-up unless otherwise stated)					
Cochin Bridge Infrastructure Company Limited	10	6,250,070	671.73	6,250,070	671.73
Gammon Renewable Energy Infrastructure Limited	10	50,000	199.74	50,000	199.74
Gammon Seaport Infrastructure Limited	10	50,000	5.00	50,000	5.00
Indira Container Terminal Private Limited	10	48,751,680	3,937.58	48,751,680	3,937.58
Marine Project Services Limited	10	50,000	5.00	50,000	5.00
Pravara Renewable Energy Limited	10	47,920,000	6,708.35	47,920,000	6,708.35
Sidhi Singrauli Road Projects Limited	10	-	-	170,410,000	20,394.87
Sikkim Hydro Power Ventures Limited	10	62,735,942	6,273.59	62,735,942	6,273.59
Vizag Seaport Private Limited	10	-	-	64,313,847	6,980.80
Vijayawada Gundugolanu Road Project Private Limited	10	76,610,000	282.39	76,610,000	282
Youngthang Power Ventures Limited	10	14,450,000	1,445.00	14,450,000	1,445.00
			19,528.38		46,904.05
<b>Investment in equity instruments of Subsidiaries impaired</b>					
Birmitrapur Barkote Highway Private Limited	10	10,000	1.00	10,000	1.00
Gammon Logistics Limited	10	2,550,000	255.00	2,550,000	255.00
Gammon Projects Developers Limited	10	250,000	366.54	250,000	366.54
Gammon Road Infrastructure Limited	10	50,000	92.67	50,000	92.67
Haryana Biomass Power Limited	10	1,283,510	269.35	1,283,510	269.35
Tada Infra Development Company Limited	10	50,000	5.00	50,000	5.00
Vijayawada Gundugolanu Road Project Private Limited *	10	76,610,000	7,378.61	76,610,000	7,378.61
Sidhi Singrauli Road Projects Limited	10	170,410,000	20,394.87	-	-
Yamunanagar Panchkula Highway Private Limited	10	19,050,000	1,905.00	19,050,000	1,905.00
Total			30,668.04		10,273.17
<b>Equity Instruments in Subsidiaries (accounted at FVTPL)</b>					
Patna Highway Projects Limited	10	50,000,000	11,387.62	50,000,000	11,387.62
Rajahmundry Godavari Bridge Limited	10	153,537,650	27,628.75	153,537,650	19,722.24
			39,016.37		31,109.86

\* Note - In respect of the above subsidiaries attention is invited to note - 30 (a) and (b), where the subsidiaries are under CIRP proceedings and valuation exercise by the RP to determine equity value has not been completed. The Company has also not carried out separate valuation of equity interest. Therefore these equity instruments presently are carried at cost.

## Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2022

(All figures are in lacs unless otherwise stated)

Particulars	Face Value In Rs.	March 31, 2022		March 31, 2021	
		Nos	Amount	Nos	Amount
<b>Unquoted</b>					
Beneficial Interest in Equity Shares of Subsidiaries					
Indira Container Terminal Private Limited*	10	26,407,160	2,640.72	26,407,160	2,640.72
			<b>2,640.72</b>		<b>2,640.72</b>
<b>Beneficial Interest in Equity Shares of Subsidiaries fully impaired</b>					
Chittoor Infra Company Private Limited	10	10,000	1.00	10,000	1.00
Earthlink Infrastructure Projects Private Limited	10	10,000	1.00	10,000	1.00
Segue Infrastructure Projects Private Limited	10	10,000	1.00	10,000	1.00
Tidong Hydro Power Limited	10	25,500	71.18	25,500	71.18
<b>Total</b>			<b>74.18</b>		<b>74.18</b>
<b>Unquoted</b>					
Equity instruments of Joint Venture Companies (Fully paid-up unless otherwise stated)					
Blue Water Iron Ore Terminal Private Limited	10	3,051,808	305.18	3,051,808	305.18
SEZ Adityapur Limited	10	19,000	1.90	19,000	1.90
<b>Total</b>			<b>307.08</b>		<b>307.08</b>
<b>Unquoted</b>					
Equity instruments of Associate Companies (Fully paid-up unless otherwise stated)					
Vizag Seaport Private Limited	10	35,540,730	3,857.69	-	-
ATSL Infrastructure Projects Limited	10	24,450	2.45	24,450	2.45
Eversun Sparkle Maritimes Services Private Limited	10	2,143,950	214.40	2,143,950	214.40
Modern Tollroads Limited	10	24,470	2.45	24,470	2.45
			<b>4,076.99</b>		<b>219.30</b>
<b>Provision for impairment</b>					
Vizag Seaport Private Limited	10	35,540,730	809.93	-	-
ATSL Infrastructure Projects Limited	10	24,450	2.45		2.45
Eversun Sparkle Maritimes Services Private Limited	10	2,143,950	214.40		214.40
Modern Tollroads Limited	10	24,470	2.45		2.45
<b>Total</b>			<b>1,029.23</b>		<b>219.30</b>
<b>Quasi Equity at Cost</b>					
<b>Interest free Inter- Corporate Deposits in the nature of Quasi Equity :</b>					
Cochin Bridge Infrastructure Company Limited			904.79		904.79
Indira Container Terminal Pvt Limited			3,722.47		3,722.47
Sikkim Hydro Power Ventures Limited			2,563.51		3,103.41
Sidhi Singrauli Road Projects Limited			-		3,527.16
Youngthang Power Ventures Limited			5,734.70		5,734.70
<b>Total</b>			<b>12,925.47</b>		<b>16,992.53</b>

## Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2022

(All figures are in lacs unless otherwise stated)

Particulars	Face Value In Rs.	March 31, 2022		March 31, 2021	
		Nos	Amount	Nos	Amount
<b>Provision for impairment of Interest free Inter-Corporate Deposits in the nature of Quasi Equity :</b>					
Sidhi Singrauli Road Projects Limited			3,527.16		-
Sikkim Hydro Power Ventures Limited			539.91		-
<b>Total</b>			<b>4,067.07</b>		<b>-</b>
<b>Quasi Equity of Equity Instruments in Subsidiaries (to be accounted at FVTPL)</b>					
Patna Highway Projects Limited			10,460.50	10,460.50	
Rajahmundry Godavari Bridge Limited			2,212.75	2,212.75	
			<b>12,673.25</b>	<b>12,673.25</b>	
<b>Total non-current investments</b>			<b>89,831.95</b>	<b>110,320.41</b>	

### Movement in investment as at March 31,2022 on account of IND AS Adjustments – NIL (P.Y. NIL)

#### B Current Investments:-

Particulars	Face Value In Rs.	March 31, 2022		March 31, 2021	
		Nos/ Units	Amount	Nos/ Units	Amount
<b>Quoted</b>					
Investments carried at fair value through Profit and Loss					
Mutual fund scheme					
Canara Robeco savings plus fund – regular Growth *		14,949,706	5,115.89	14,949,706	4,950.73
PGIM India Insta Cash Fund – Direct Plan – Growth		24,245	67.26	42,799	112.05
<b>Total</b>			<b>5,183.15</b>		<b>5,062.78</b>
<b>Total current investments</b>			<b>5,183.15</b>		<b>5,062.78</b>
<b>Total Investments</b>			<b>95,015.11</b>		<b>115,383.19</b>
Aggregate amount of quoted investments			5,183.15		5,062.78
Market Value of quoted investments			5,183.15		5,062.78
Aggregate amount of unquoted investments			89,831.95		110,320.41

\* The mutual fund held with canara Robecco is marked as lien against Bank Guarantee facility taken from Carana Bank

## Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2022

(All figures are in lacs unless otherwise stated)

### Pledge of Shares

The Company has pledged the following shares in favour of the lenders to the projects as part of the terms of financing agreements for facilities taken by the Company or its project SPV's as indicated below:

Company Name	Face value	No. of Equity shares pledged as at	
		March 31, 2022	March 31, 2021
Pledge of shares of SPV's which are being held as on March 31, 2022			
Sidhi Singrauli Road Project Limited	10/-	73,306,600	73,306,600
Vizag Seaport Private Limited	10/-	34,996,898	63,770,015
Sikkim Hydro Power Ventures Limited	10/-	31,995,331	31,995,331
Indira Container Terminal Private Limited	10/-	16,500,000	16,500,000
Patna Highway Projects Limited	10/-	5,940,000	5,940,000
Cochin Bridge Infrastructure Company Limited	10/-	-	1,664,019
Birmitrapur Barkote Highway Private Limited	10/-	2,600	2,600

The change in the balances between March 31, 2022 & March 31, 2021 represent additional / reduction of pledge during the period ended March 31, 2022

	As at		As at	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
	Non- Current		Current	
<b>3.2 Trade Receivables</b>				
<b>(Unsecured, at amortised cost)</b>				
i) Considered good	-	-	310.94	2,893.94
ii) Considered doubtful	-	-	-	487.67
Less:- Allowance for credit loss	-	-	-	(487.67)
iii) Other Receivable- Retentions	213.46	5,088.46	-	-
<b>Total</b>	<b>213.46</b>	<b>5,088.46</b>	<b>310.94</b>	<b>2,893.94</b>

#### Note: Receivables from related parties are as follows:

	As at		As at	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Subsidiaries:	Non- Current		Current	
Sidhi Singrauli Road Projects Ltd	213.46	5,088.46	251.80	2,834.80
Birmitrapur Barkote Highway Pvt Ltd (fully provided)	-	-	-	487.67
Less : Allowance for credit loss	-	-	-	(487.67)
<b>Total</b>	<b>213.46</b>	<b>5,088.46</b>	<b>251.80</b>	<b>2,834.80</b>

## Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2022

(All figures are in lacs unless otherwise stated)

### Expected Credit Loss:

Since the Company calculates impairment under the simplified approach the Company does not track the changes in credit risk of trade receivables the impairment amount represents lifetime expected credit loss. Hence the additional disclosures in trade receivables for changes in credit risk and credit impaired trade receivable are not disclosed.

In respect of Sidhi Singrauli Road Projects Limited, no ECL is created as there is an overall amount due considering the advance received from Sidhi Singrauli Road Projects Ltd.

### Trade Receivable Ageing Schedule

( Ageing from Bill date)

(a) As at March 31, 2022

Range of O/s period	Undisputed			Total
	Considered Good	Significant increase in credit risk	credit impaired	
Unbilled	-	-	-	-
Not Due	-	-	-	-
less than 6 months	-	-	-	-
6 months – 1 year	-	-	-	-
1-2 year	-	-	-	-
2-3 year	-	-	-	-
> 3 years	524.41	-	-	524.41
<b>Total</b>	<b>524.41</b>	<b>-</b>	<b>-</b>	<b>524.41</b>

There are no disputed trade receivables as at the year end

(b) As at March 31, 2021

Range of O/s period	Undisputed			Total
	Considered Good	Significant increase in credit risk	credit impaired	
Unbilled	-	-	-	-
Not Due	-	-	-	-
less than 6 months	-	-	-	-
6 months – 1 year	-	-	-	-
1-2 year	2,583.00	-	-	2,583.00
2-3 year	282.78	-	-	282.78
> 3 years	5,116.62	-	487.67	5,604.30
<b>Total</b>	<b>7,982.41</b>	<b>-</b>	<b>487.67</b>	<b>8,470.08</b>

There are no disputed trade receivables as at the year end



## Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2022

(All figures are in lacs unless otherwise stated)

	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
	Non- Current		Current	
<b>3.3 Cash and Bank Balances</b>				
<b>A Cash and cash equivalents</b>				
i) Balances with banks	-	-	57.63	27.73
ii) Cash on hand	-	-	0.74	0.90
<b>Total</b>	-	-	58.37	28.63
<b>B Bank balances</b>				
i) Balances in escrow account	-	-	1.34	101.32
ii) Debt service reserve account	-	-	10.16	9.99
iii) Fixed Deposit as margin for BG issued	2,381.11	2,311.63	-	-
iv) Fixed Deposit under lien (refer note 11)	-	78.57	-	-
v) Less : Transferred to Other Financial Assets (refer note 3.5(vii))	(2,381.11)	(2,390.20)	-	-
<b>Total</b>	-	-	11.50	111.31
<b>Grand Total</b>	-	-	69.87	139.94

	As at		As at	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
	Non- Current		Current	
<b>3.4 Loans (at amortised cost)</b>				
Intercompany Deposits				
Related parties				
Unsecured, Considered good	3,484.92	2,453.59	-	-
Unsecured, Credit impaired	1,389.59	2,456.57	-	-
Others				
Unsecured, Considered good	-	-	-	-
Unsecured, Credit impaired	-	39.02	-	-
Less: Provision for Impairment of ICDs	(1,389.59)	(2,495.59)	-	-
<b>Total</b>	3,484.92	2,453.59	-	-

## Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2022

(All figures are in lacs unless otherwise stated)

- a) The break-up of Intercompany Loans granted by the Company to related parties is as under :

Company Name	As at	
	March 31, 2022	March 31, 2021
<b>Considered good</b>		
Pravara Renewable Energy Limited	2,444.48	2,444.48
Chitoor Infra Company Private Limited	9.11	9.11
Gammon Renewable Energy Infrastructure Limited	1,031.33	-
<b>Total</b>	<b>3,484.92</b>	<b>2,453.59</b>
<b>Unsecured, Credit impaired</b>		
Gammon Logistics Limited	159.61	159.61
Gammon Road Infrastructure Limited	-	132.19
Birmitrapur Barkote Highway Pvt Limited	-	605.18
Earthlink Infrastructure Projects Pvt Limited	1.82	1.82
Yamunanagar Panchkula Highway Pvt Limited	915.53	915.53
Haryana Biomass Power Ltd	-	0.07
Segue Infrastructure Projects Pvt Limited	2.50	2.50
Gammon Projects Developers Limited	78.79	78.79
Gammon Renewable Energy Infrastructure Limited	-	329.33
Gammon Seaport Infrastructure Limited	74.10	74.10
Tidong Hydro Power Ltd	157.23	157.23
Tada Infra Development Company Limited	-	0.22
<b>Total</b>	<b>1,389.59</b>	<b>2,456.57</b>

- b) Loans and Advances to Promoters, Directors, KMP's and Related Parties.

Loans or Advances in the nature of loans granted to promoters, Directors, KMPs and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person, that are Repayable on demand

Type of Borrower	As at March 31, 2022		As at March 31, 2021	
	Outstanding Loan	% to (A)	Outstanding Loan	% to (A)
Promoters	-	-	-	-
Directors	-	-	-	-
KMPs	-	-	-	-
Related Parties	4,874.51	100.00	4,910.16	99.21
<b>Total Loans and Advances to Promoter, Director, KMP and Related parties</b>	<b>4,874.51</b>		<b>4,949.18</b>	
<b>Total Loans and Advances in the nature of Loan and Advances (A)</b>	<b>4,874.51</b>		<b>4,949.18</b>	

## Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2022

(All figures are in lacs unless otherwise stated)

### 3.5 Other Financial Assets

	As at		As at	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
	Non- Current		Current	
<b>i) Security Deposit</b>				
(Unsecured, Considered good )				
Leave and license	-	5.00	-	-
Others	1.55	3.31	-	-
(A)	1.55	8.31	-	-
<b>ii) Advance recoverable in cash or in kind</b>				
Unsecured, Considered Good				
Dues from entities having significant influence	-	-	48.58	48.68
Dues from Subsidiary companies	78,052.00	108,944.45	2,829.55	2,622.80
Dues from Joint Ventures	-	-	176.63	1,527.64
Unsecured, Credit Impaired				
Dues from Subsidiary Companies	30,892.45	-	97.03	49.87
Dues from Joint Ventures	-	-	25.27	25.17
Dues from Associates	-	-	-	0.48
	108,944.45	108,944.45	3,177.06	4,274.64
<b>iii) Others:</b>				
Unsecured, Considered good *	-	-	1,533.21	1,535.33
Unsecured, Credit Impaired	-	-	-	51.62
	-	-	1,533.21	1,586.95
<b>iii) Less: Impairment of doubtful advance</b>	(30,892.45)	-	(122.30)	(127.14)
(B)	78,052.00	108,944.45	4,587.97	5,734.45
<b>iv) Interest accrued receivable</b>				
From related parties, considered good	-	-	22.70	17.47
From Banks, considered good	-	-	3.84	3.13
From others, Credit impaired	-	-	-	6.92
Less: Impairment of doubtful Interest	-	-	-	(6.92)
(C)	-	-	26.54	20.60
<b>v) Advance for purchase of shares **</b>	-	7,906.51	-	-
(D)	-	7,906.51	-	-
<b>vi) Share application money paid</b>				
Related parties	129.95	129.95	-	-
(E)	129.95	129.95	-	-
<b>vii) Other bank balances</b>				
Fixed Deposits Under lien and as margin for BG issued	2,381.11	2,390.20	-	-
(F)	2,381.11	2,390.20	-	-
<b>Total (A+B+C+D+E+F)</b>	<b>80,564.61</b>	<b>119,379.42</b>	<b>4,614.51</b>	<b>5,755.05</b>

\* Others considered good includes Rs. 1,514.01 lacs Due from Western Coalfields on account of wrongful encashment of bank guarantee against which the company has filed a suit and is legally advised that it has a good case of recovery. Refer detailed note no. 29

\*\* Advance for Purchase of Shares:- IFCI vide its letter dated 31st January 2020 has agreed to settle the OTS transaction at a lumpsum consideration of Rs 30 crores against the entire outstanding debt dues and has agreed to transfer 49980000 equity shares of RGLB and release pledge on shares of RGLB and SSRPL. The Company had made the said payment to IFCI in the previous year and Share transfer has been done during the year.

## Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2022

(All figures are in lacs unless otherwise stated)

- (a) The break-up of advance recoverable in cash or in kind from related parties is as under :

<b>Dues from Subsidiary companies : Unsecured, Considered good</b>	<b>As at March 31, 2022</b>		<b>As at March 31, 2021</b>	
	<b>Non - Current</b>	<b>Current</b>	<b>Non - Current</b>	<b>Current</b>
Pravara Renewable Energy Ltd	-	1,435.18	-	1,215.87
Cochin Bridge Infrastructure Company Ltd	-	798.70	-	798.32
Gammon Renewable Energy Infrastructure Ltd	-	78.25	-	76.04
Sikkim Hydro Power Ventures Ltd	-	-	-	42.18
Ras Cities and Townships Limited	-	6.41	-	6.26
Siddhi Singrauli Road Project Limited	-	213.22	30,892.45	184.97
Rajahmundry Godavari Bridge Ltd	78,052.00	297.18	78,052.00	297.39
Gammon Seaport Infrastructure Ltd	-	-	-	0.57
Birmitrapur Barkote Highway Pvt Ltd	-	0.61	-	-
Tidong Hydro Power Ltd	-	-	-	0.93
Earthlink Infrastructure Pvt Ltd	-	-	-	0.27
	<b>78,052.00</b>	<b>2,829.55</b>	<b>108,944.45</b>	<b>2,622.80</b>

<b>Dues from Subsidiary companies : Unsecured, Considered doubtful</b>	<b>As at March 31, 2022</b>		<b>As at March 31, 2021</b>	
	<b>Non - Current</b>	<b>Current</b>	<b>Non - Current</b>	<b>Current</b>
Birmitrapur Barkote Highways Private Ltd	-	-	-	0.46
Siddhi Singrauli Road Project Limited	30,892.45	-	-	-
Sikkim Hydro Power Ventures Ltd	-	60.09	-	-
Gammon Logistics Ltd	-	28.71	-	28.50
Gammon Project Developers Ltd	-	2.13	-	1.95
Haryana Biomass Power Ltd	-	-	-	0.31
Tada Infra Development Company Ltd	-	-	-	13.99
Yamunanagar Panchkula Highways Private Ltd	-	1.13	-	0.96
Segue Infrastructure Projects Pvt Ltd	-	1.44	-	1.28
Gammon Road Infrastructure Ltd	-	-	-	1.12
Gammon Seaport Infrastructure Ltd	-	0.73	-	-
Earthlink Infrastructure Pvt Ltd	-	0.41	-	-
Tidong Hydro Power Ltd	-	2.39	-	1.28
	<b>30,892.45</b>	<b>97.03</b>	<b>-</b>	<b>49.87</b>

## Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2022

(All figures are in lacs unless otherwise stated)

Dues from Joint Venture entities :	As at March 31, 2022		As at March 31, 2021	
	Non – Current	Current	Non – Current	Current
<b>Unsecured, Considered Good</b>				
GIPL GECPL JV	-	176.63	-	1,527.64
	-	176.63	-	1,527.64
<b>Unsecured, Credit impaired</b>				
GIPL GIL JV	-	25.27	-	25.17
	-	25.27	-	25.17
<b>Dues from Associates :Unsecured, Credit impaired</b>				
Modern Toll Roads Ltd	-	0.48	-	0.48
	-	0.48	-	0.48
<b>Dues from entities having significant influence : Unsecured, Considered good</b>				
Gammon India Ltd	-	48.58	-	49.28
	-	48.58	-	49.28

- b) The break-up of share application money paid by the Company to related parties is as under :

Company Name	As at March 31, 2022		As at March 31, 2021	
	Non – Current	Current	Non – Current	Current
Modern Toll Roads Limited	129.95	-	129.95	-
<b>Total</b>	<b>129.95</b>	<b>-</b>	<b>129.95</b>	<b>-</b>

- c) Break-up of interest accrued receivable from related parties is as follows:

	As at March 31, 2022		As at March 31, 2021	
	Non – Current	Current	Non – Current	Current
Cochin Bridge Infrastructure Company Limited	-	-	-	17.47
Gammon Renewabel Energy Infrastructure Private Limited		22.70		
	-	22.70	-	17.47

## Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2022

(All figures are in lacs unless otherwise stated)

### 4 Deferred Tax Assets

	As at	
	March 31, 2022	March 31, 2021
<b>a) Deferred Tax Liability on account of :</b>		
i) Unrealised Gain on Mutual Fund	<b>329.98</b>	291.33
<b>b) Deferred Tax Asset on account of :</b>		
i) Depreciation due to timing difference	<b>71.55</b>	81.48
ii) Employee benefits	<b>2.33</b>	6.93
Deferred Tax Asset(Liability), net	<b>(256.10)</b>	(202.92)

Note : During the previous year the Company has opted for reduced tax rate as per section 115BAA of the Income Tax Act, 1961 as against the old rate applied by the Company earlier. Accordingly, the company has recognised Provision for Income Tax for the year and re-measured its balance of net Deferred tax assets/liability basis the rate prescribed in the said section. The remeasurement had resulted in a write down of the net deferred tax assets pertaining to mat credit entitlement of earlier years by Rs 2,686.50 lacs.

In assessing the realisability of deferred income tax assets, Management considers whether some portion or all of the deferred income tax assets will not be realised. The ultimate realisation of deferred income tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. Management considers the scheduled reversals of deferred income tax assets, projected future taxable income, and tax planning strategies in making this assessment. Based on the level of historical taxable income and projections for future taxable income over the periods in which the deferred income tax assets are deductible, Management believes that the Company will realise the benefits of those deductible differences. The amount of the deferred income tax assets considered realisable, however, could be reduced in the near term if estimates of future taxable income during the carry forward period are reduced.

### 5 Other Assets

	As at		As at	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
	Non- Current		Current	
i) Advance to sub-contractor	<b>2,695.61</b>	2,695.61	-	-
ii) Prepaid expenses	-	-	<b>1.37</b>	1.11
iii) Statutory and other receivables	-	-	<b>281.23</b>	276.72
iv) Advance to Supplier			<b>2.04</b>	13.54
v) Advance Income Tax (Net of Provision for Taxation)	<b>1,846.47</b>	1,838.61	-	-
<b>Total</b>	<b>4,542.08</b>	<b>4,534.22</b>	<b>284.64</b>	<b>291.37</b>

## Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2022

(All figures are in lacs unless otherwise stated)

### 6 Equity Share capital

	As at	
	March 31, 2022	March 31, 2021
<b>i) Authorised shares :</b>		
March 31, 2021 : 1,25,00,00,000 Equity Shares of Rs 2/each	<b>25,000.00</b>	25,000.00
March 31, 2020 : 1,25,00,00,000 Equity Shares of Rs 2/each		
<b>Total</b>	<b>25,000.00</b>	<b>25,000.00</b>
<b>ii) Issued and subscribed shares :</b>		
March 31, 2021: 94,26,40,974 Equity shares of Rs 2/- each	<b>18,852.82</b>	18,852.82
March 31, 2020 : 94,26,40,974 Equity Shares of Rs 2/each		
<b>Total</b>	<b>18,852.82</b>	<b>18,852.82</b>
<b>iii) Paid-up shares :</b>		
March 31, 2021: 94,18,30,724 Equity shares of Rs 2/- each	<b>18,836.61</b>	18,836.61
March 31, 2020 : 94,18,30,724 Equity Shares of Rs 2/each		
<b>Total</b>	<b>18,836.61</b>	<b>18,836.61</b>
<b>iv) Shares forfeited :</b>		
Amount received (including securities premium) in respect of 162,050 Equity shares of Rs. 10/-	<b>81.03</b>	81.03
<b>Total</b>	<b>81.03</b>	<b>81.03</b>
<b>Total paid-up share capital (iii + iv)</b>	<b>18,917.64</b>	<b>18,917.64</b>

- a) Reconciliation of the Equity shares outstanding at the beginning and at the end of the period

	As at		As at	
	March 31, 2022	March 31, 2022	March 31, 2021	March 31, 2021
	Number	Amount	Number	Amount
Balance, beginning of the period	<b>941,830,724</b>	<b>18,836.61</b>	941,830,724	18,836.61
Issued during the period	-	-	-	-
Balance, end of the period	<b>941,830,724</b>	<b>18,836.61</b>	941,830,724	18,836.61

- b) Terms / rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 2/- per share. Each holder of equity shares is entitled to one vote per share. The shareholders are entitled to dividend in the proportion of their shareholding. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the company, after payment of all external liabilities. The distribution will be in proportion to the number of equity shares held by the shareholders.



## Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2022

(All figures are in lacs unless otherwise stated)

- c) Shares held by holding / ultimate holding company and /or their subsidiaries / associates

Out of equity shares issued by the Company, shares held by its holding / ultimate holding Company and /or their subsidiaries / associates are as follows:

	March 31, 2022 Number	March 31, 2022 Amount	March 31, 2021 Number	March 31, 2021 Amount
Equity shares of Rs. 2/- each fully paid up				
Gammon Power Limited, Holding Company	193,999,800	3,880.00	193,999,800	3,880.00
	<b>193,999,800</b>	<b>3,880.00</b>	<b>193,999,800</b>	<b>3,880.00</b>

- d) Details of shareholders holding more than 5% shares in the Company

	March 31, 2022 Number	March 31, 2022 %	March 31, 2021 Number	March 31, 2021 %
Gammon Power Limited	193,999,800	20.60	193,999,800	20.60
ICICI Bank Ltd	60,499,998	6.42	60,499,998	6.42
	<b>254,499,798</b>	<b>27.02</b>	<b>254,499,798</b>	<b>27.02</b>

- e) As per the records of the Company, including its register of shareholders/members and other declarations received from shareholders, the above shareholding represents legal ownerships of the shares.

- f) Details of Shareholdings by the Promoter/Promoter group

Name of the Promoter	As at Mar-22	As at Mar-21
Gammon Power Limited		
No of Shares	193,999,800	193,999,800
% of total shares	20.60	20.60
% change 2021-22	-	
<b>Total No of Shares issued and Subscribed</b>	<b>941,830,724</b>	<b>941,830,724</b>

## 7 Other Equity

	As at March 31, 2022	As at March 31, 2021
i) Retained Earnings	(45,588.46)	10,085.33
ii) General Reserve	23.96	23.96
iii) Security Premium Reserve	56,369.47	56,369.47
iv) Employee Stock Option Outstanding	11.52	11.52
	<b>10,816.49</b>	<b>66,490.28</b>

## Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2022

(All figures are in lacs unless otherwise stated)

### A Employees Stock Options Scheme ('ESOP'):-

During the financial period ending Dec'13 the Company had instituted an ESOP Scheme "GIPL ESOP 2013", approved by the shareholders vide their resolution dated September 20, 2013, as per which the Board of Directors of the Company granted 6,160,000 equity-settled stock options to the eligible employees. Pursuant to the ESOP Scheme each options entitles an employee to subscribe to 1 equity share of Rs. 2 each of the Company at an exercise price of Rs 2 per share upon expiry of the respective vesting period which ranges from one to four years commencing from October 1, 2014.

The details of ESOP's granted under the aforesaid ESOPs Schemes are summarized herein under :

Particulars	Period ended Mar'21	Period ended Mar'20
Grant Date	23-Sep-13	23-Sep-13
Market Price considered (Rupees)	6.80	6.80
Exercise Price of Options granted during the period (Rupees)	2.00	2.00
Options outstanding at the beginning of the period	60,000	60,000
Options granted during the period	-	-
Options lapsed /forfeited during the period	-	-
Options vested during the period	-	-
Exercised during the year	-	-
Outstanding at the end of the year	60,000	60,000
Exercisable at the end of the year	60,000	60,000

The Company has used intrinsic value method for valuation of options by reducing the exercise price from the market value. However if the compensation cost would have been determined using the alternative approach to value options at fair value, the Company's net loss would have been changed to amounts indicated below:

The fair value has been calculated using the Black-Scholes Option Pricing Model and the significant assumptions and inputs to estimate the fair value of options are as follows:

Particulars	First vesting	Second vesting	Third vesting	Fourth vesting
Dividend yield (%)	0.00%	0.00%	0.00%	0.00%
Expected volatility (%)	39.31%	44.25%	42.29%	41.78%
Risk-free interest rate (%)	9.86%	9.02%	8.96%	9.03%
Grant date	9/23/2013	9/23/2013	9/23/2013	9/23/2013
Vesting date	10/1/2014	10/1/2015	10/1/2016	10/1/2017
Fair value of share price (Rs.)	6.40	6.40	6.40	6.40
Exercise price (Rs.)	2.00	2.00	2.00	2.00

## Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2022

(All figures are in lacs unless otherwise stated)

### 8 Financial Liabilities (at amortised cost)

	As at		As at	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
	Non- Current		Current Maturities	
<b>8.1 Long term Borrowings</b>				
<b>i) Inter-corporate deposit (ICD) from subsidiaries (unsecured):</b>				
Vizag Seaport Pvt Ltd (VSPL) (Refer Note (c) below)	-	-	<b>9,277.41</b>	10,977.41
	-	-	<b>(9,277.41)</b>	<b>(10,977.41)</b>
<b>The break-up of above:</b>				
Secured	-	-	-	-
Unsecured	-	-	<b>9,277.41</b>	10,977.41
	-	-	<b>9,277.41</b>	<b>10,977.41</b>

- The company has not taken any fresh loan from banks and financial institutions during the year.
- The Company has no borrowings from banks or financial institutions on the basis of security of current assets
- Details of ICD from VSPL :

During the previous year the Company has entered into a Inter Company agreement with its subsidiary , Vizag Sea Port Limited(VSPL) for settlement of Principal / Interest dues payable by the company. In terms of the agreement , an amount of Rs 2886.93 lacs representing interest payable by the company upto March 31, 2020 has been written back as it is no longer payable. Further it has been agreed that, no interest for the current year is to be charged and the Company has stopped accruing the interest on the amount with effect from April 1, 2020

Accordingly , the impact of the above agreement has been taken in the books of the company in the last quarter of the previous year.

In view of the long overdue of Principal and interest the Company has given consent for assignment of the arbitration award of Rs.9300 Lacs approx. in respect of its erstwhile SPV, Patna Bauxar Highways Limited. and executed Power of Attorney authorizing the VSPL to fully appropriate the award amount upon receipt under execution towards the ICD outstanding dues.

## Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2022

(All figures are in lacs unless otherwise stated)

	As at		As at	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
	Non- Current		Current	
<b>8.2 Other Financial Liabilities (at amortised cost)</b>				
i) Credit facility recalled by lenders of SPV refer note (a) & (b) below	-	-	<b>108,944.45</b>	108,944.45
ii) Bank Overdrawn			-	83.55
iii) Interest accrued payable	-	-	<b>0.21</b>	374.49
iv) Other dues – related parties	-	-	<b>1,387.80</b>	1,380.62
v) Advance received for sale of equity shares	-	-	<b>265.20</b>	265.20
vi) Deposit received towards Margin Money from related parties	<b>100.00</b>	100.00	-	-
vii) Other Liabilities	-	-	<b>9.03</b>	32.41
viii) IE Fees Payable			<b>681.85</b>	681.85
ix) BG Encashed of Techno Infratech			<b>7,220.00</b>	7,220.00
x) Settlement Claim Payable (refer note (d) below)			<b>4,000.00</b>	-
xi) Retention payable	<b>3,732.77</b>	3,732.77	-	-
<b>Total</b>	<b>3,832.77</b>	<b>3,832.77</b>	<b>122,508.54</b>	<b>118,982.57</b>

(a) Details of Recall of credit facility covered under Corporate guarantee of SSRPL

During the Previous year period bankers to Sidhi Singrauli Road Project Limited (SPV) have recalled loan facility and also written to Company for encashment of Corporate Guarantee issued towards loan availed by SPV. Company has disclosed liability towards bankers for amount of loan or CG whichever is lower.

(b) Details of Recall of credit facility covered under Corporate guarantee of RGBL

During the previous period bankers to Rajahmundry Godavari Bridge Limited (SPV) have recalled loan facility and also written to Company for encashment of Corporate Guarantee issued towards loan availed by SPV. Company has disclosed liability towards bankers for amount of loan or CG whichever is lower and shown as receivable from the SPV.

(c) Margin money of 100 lacs (Previous year 100 lacs) was received towards a Performance Bank Guarantee issued by AJR Infra and Tolling Limited (Formerly Gammon Infrastructure Projects Limited) in favour of MbPT as required in the L.A. The margin money deposit carries an interest of 6% p.a.

(d) The Company was engaged in arbitration proceedings with BIF India Holdings PTE Limited along with its Project companies ( as Claimants ) related to their Indemnification / Tax related claims . Without any admission of liability, the parties have agreed for a full and final settlement of the released claims vide agreement dated 20th May,2022 according to which the Company is liable to pay the Claimants a sum of Rs 4000 lacs ( plus applicable interest ) and tax related claims in a manner as set out in the agreement. The said amount of Rs 4000 lacs has been recognized as expense and the same has shown as Exceptional Item while the tax related claims are continued to be shown under contingent liabilities pending final settlement.

## Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2022

(All figures are in lacs unless otherwise stated)

### 9 Long Term Provisions

	As at		As at	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
	Non- Current		Current	
i) Provision for employee benefits :				
Leave Encashment	3.11	2.87	0.07	0.07
Gratuity	5.89	2.66	0.21	21.92
ii) Provision for Project Obligations:	-	-	113.73	113.73
iii) Provision for Income Tax	-	-	1,955.32	1,955.32
<b>Total</b>	<b>9.00</b>	<b>5.53</b>	<b>2,069.33</b>	<b>2,091.04</b>

- a) Provision for Project Obligations is on account of provision made towards obligations to the purchaser of equity shares of SPV's towards project related expenditure.

Disclosure under IND AS 37 " Provisions, Contingent Liabilities and Contingent Assets"

Particulars	Opening	Addition	Utilisation	Closing
Provision for Project Obligations (Current Year)	113.73	-	-	113.73
Provision for Project Obligations (Previous Year)	113.73	-	-	113.73

- b) Disclosure in accordance with Ind AS – 19 "Employee Benefits", of the Companies (Indian Accounting Standards) Rules, 2015.

The company has carried out the actuarial valuation of Gratuity and Leave Encashment liability under actuarial principle, in accordance with Ind AS 19 – Employee Benefits.

Gratuity is a defined benefit plan under which employees who have completed five years or more of service are entitled to gratuity on departure from employment at an amount equivalent to 15 days salary (based on last drawn salary) for each completed year of service. The Company's gratuity liability is unfunded.

## Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2022

(All figures are in lacs unless otherwise stated)

- i) The amount recognised in the balance sheet and the movements in the net defined benefit obligation of Gratuity over the year is as follow:

	As on March 31, 2022	As on March 31, 2021
<b>(a) Reconciliation of opening and closing balances of Defined benefit Obligation</b>		
Defined Benefit obligation at the beginning of the year	24.58	23.03
Current Service Cost	0.87	0.55
Interest Cost	0.18	0.08
Actuarial (Gain) /Loss	(1.21)	0.92
Liability transferred out on account of transfer of employees	3.52	-
Benefits paid	(21.85)	-
<b>Defined Benefit obligation at the year end</b>	<b>6.09</b>	<b>24.58</b>
<b>(b) Reconciliation of opening and closing balances of fair value of plan assets</b>		
Fair Value of plan assets at the beginning of the year	-	-
Expected return on Plan Assets	-	-
Actuarial Gain/ (Loss)	-	-
Employer Contribution	-	-
Benefits Paid	-	-
Fair Value of Plan Assets at the year end	-	-
<b>Actual Return on Plan Assets</b>	<b>-</b>	<b>-</b>
<b>(c) Reconciliation of fair value of assets and obligations</b>		
Fair Value of Plan Assets	-	-
Present value of Defined Benefit obligation	6.09	24.58
<b>Liability recognized in Balance Sheet</b>	<b>6.09</b>	<b>24.58</b>
<b>(d) Expenses recognized during the year ( Under the head " Employees Benefit Expenses )</b>		
Current Service Cost	0.87	0.55
Interest Cost	0.18	0.08
Actuarial (Gain)/Loss	(1.21)	0.92
<b>Net Cost</b>	<b>(0.15)</b>	<b>1.55</b>

## Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2022

(All figures are in lacs unless otherwise stated)

### ii) Actuarial Assumptions

Particulars	As on March 31, 2022	As on March 31, 2021
Mortality Table (LIC)	<b>Indian Assured Lives 2012-14</b>	
Discount rate (per annum)	<b>7.00%</b>	6.75%
Expected rate of return on Plan assets (per annum)	<b>NA</b>	NA
Rate of escalation in salary (per annum)	<b>6.0%</b>	6.0%
Withdrawal rate:		
- upto age of 34	<b>3%</b>	3%
- upto age of 35-44	<b>2%</b>	2%
- upto age 45 & above	<b>1%</b>	1%
Retirement age	<b>60 years</b>	60 years

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

There is no minimum funding requirement for a gratuity plan in India and there is no compulsion on the part of the company fully or partially pre-fund the liabilities under the plan. Since the liabilities are unfunded there is no asset liability matching strategy devised for the plan.

### iii) Sensitivity analysis

A quantitative Sensitivity analysis for significant assumption

Particulars	Discount Rate	Salary Growth Rate
<b>Change in assumption</b>		
<b>March 31, 2022</b>	0.5%	0.5%
March 31, 2021	0.5%	0.5%
<b>Increase in assumption</b>		
<b>March 31, 2022</b>	5.79	6.25
March 31, 2021	(0.35)	0.41
<b>Decrease in assumption</b>		
<b>March 31, 2022</b>	6.42	5.78
March 31, 2021	0.41	(0.35)

### iv) Experience adjustment

Particulars	As on March 31, 2022	As on March 31, 2021
Experience adjustment on Plan Liability	<b>(1.05)</b>	1.00



## Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2022

(All figures are in lacs unless otherwise stated)

### 10 Other Liabilities

	As at		As at	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
	Non- Current		Current	
i) Mobilisation advance received from related parties	-	-	927.76	927.76
ii) Duties and Taxes payable	-	-	3.91	7.74
iii) Advance from customers – related parties	-	-	75.76	75.76
iv) Due to EPC Customers -Related Parties	-	-	11,734.53	22,151.81
v) Deferred Income -Guarantee Margin	3,138.35	3,583.85	461.83	620.72
vi) Award received from NHAI (refer note (a) below)	-	-	1,470.00	1,470.00
<b>Total</b>	<b>3,138.35</b>	<b>3,583.85</b>	<b>14,673.79</b>	<b>25,253.79</b>

(a) Patna Buxar Highways Limited ("PBHL"), erstwhile a wholly owned non-material unlisted subsidiary of the Company which was sold on March 31, 2016 with the Company's rights to future claims pending under arbitration, had received an amount of Rs.1470 Lacs on September 14, 2018 from the National Highways Authority of India ("NHAI") in compliance of the order passed by the Hon'ble Delhi High Court. Since the matter is not decided in favour of the Company the same has been shown as liability.

### 11 Short Term Borrowings (at amortised cost)

	As at	
	March 31, 2022	March 31, 2021
<b>Inter-corporate deposit (ICD) from subsidiaries (unsecured):</b>		
Ras Cities & Township Pvt Ltd (RCTPL)	1,495.05	1,495.05
Others	60.00	9.00
Current Maturity of Long term borrowings	9,277.41	10,977.41
Bank loan :		
Bank overdraft (repayable on demand)	-	1,944.14
<b>Total</b>	<b>10,832.46</b>	<b>14,425.60</b>

- a) Company has taken interest free loan from Ras cities (subsidiary) for short term purposes repayable within next one year.
- b) The Company had vide letter dated 30th July,2021 conveyed its acceptance to the terms and condition of OTS (One time Settlement) sanctioned vide letter dated 29th June,2021 by one of its lenders for all its dues against the Fund / Non Fund based limits provided and has also paid the full OTS amount of Rs 835 lacs as per the said sanctioned terms. Accordingly, the company has given effect of the above OTS in the books of accounts. This has resulted in the write back of Rs.1401.45 lacs up against the dues of the bank after adjustment of Lien marked fixed deposit against the Bank guarantees issued by the Bank on behalf of the company.

## Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2022

(All figures are in lacs unless otherwise stated)

### 12 Trade Payables (at amortised cost)

	As at March 31, 2022	As at March 31, 2021
	Current	Current
i) Trade payables – Micro, small and medium enterprises	-	-
ii) Trade payables – Others	2,054.74	2,150.54
<b>Total</b>	<b>2,054.74</b>	<b>2,150.54</b>

#### a) Amounts due to Micro, Small and Medium Enterprises

As per the information available with the Company, there are no Micro, Small and Medium Enterprises, as defined in the Micro, Small, Medium Enterprises Development Act, 2006, to whom the Company owes dues on account of principal amount together with interest and accordingly no additional disclosures have been made.

The above information regarding Micro, Small and Medium Enterprises have been determined to the extent such parties have been identified on the basis of information available with the Company. This is relied upon by the auditors.

#### b) Trade Payable Ageing Schedule

##### (Ageing from Bill Date)

##### As at March 31, 2022

Range of O/s period	MSME		Others	
	Undisputed	Disputed	Undisputed	Disputed
Unbilled	-	-	1,008.83	-
Not Due	-	-	-	-
Less than 1 year	-	-	44.99	-
1-2 years	-	-	6.08	-
2-3 year	-	-	0.36	-
> 3 years	-	-	994.48	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>2,054.74</b>	<b>-</b>

#### (b) As at March 31, 2021

Range of O/s period	MSME		Others	
	Undisputed	Disputed	Undisputed	Disputed
Unbilled	-	-	1,112.92	-
Not Due	-	-	-	-
Less than 1 year	-	-	38.95	-
1-2 years	-	-	4.26	-
2-3 year	-	-	413.88	-
> 3 years	-	-	580.55	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>2,150.54</b>	<b>-</b>

## Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2022

(All figures are in lacs unless otherwise stated)

### 13 Current tax liability

	As at	
	March 31, 2022	March 31, 2021
Current tax liability net of taxes paid	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

### 14 Revenue from Operations

	2021-22	2020-21
<b>Revenue from construction contracts</b>		
i) Construction contract revenue	-	30.00
ii) Operating and Maintenance Income	-	32.64
<b>Total</b>	<b>-</b>	<b>62.64</b>

I Disclosure in accordance with Ind AS - 115 "Revenue Recognition", of the Companies (Indian Accounting Standards) Rules, 2015

**a) Method used to determine the contract revenue : stage of completion method**

Method used to determine the stage of completion of contract : stage of completion is determined as a proportion of costs incurred upto the reporting date to the total estimated cost to complete

**a) Revenue disaggregation based on Service Type and Customer type:**

**(i) Revenue disaggregation by type of Service is as follows:**

Major Service Type	2021-22	2020-21
EPC Contract	-	30.00
Operations and maintenance	-	32.64
<b>Total</b>	<b>-</b>	<b>62.64</b>

**(ii) Revenue disaggregation by geographical regions is as follows:**

	2021-22	2020-21
In India	-	62.64
Outside India	-	-
<b>Total</b>	<b>-</b>	<b>62.64</b>

**(iii) Revenue disaggregation by Customer Type is as follows:**

Customer Type	2021-22	2020-21
Government Companies	-	-
Non Government Companies (Other than group)	-	-
Group Companies	-	62.64
<b>Total</b>	<b>-</b>	<b>62.64</b>

## Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2022

(All figures are in lacs unless otherwise stated)

b) Contract Balances	As at	
	March 31, 2022	March 31, 2021
Advance from Customers	12,738.05	12,738.05
Deferred Revenue	-	10,417.28
Retention by customer	213.46	5,088.45

### 15 Other Income

	2021-22	2020-21
i) Interest Income on Financial Assets at amortised cost	104.69	87.69
ii) Guarantee commission income	604.39	632.61
iii) Profit on Sale of current Investments	1.43	9.76
iv) Gain on financial asset through FVTPL	168.95	256.24
v) Impairment provision reversed	329.79	282.39
vi) Miscellaneous Income	-	0.78
vii) Sundry Balances W/back	66.05	2,886.93
viii) W/back on account of one time settlement (OTS)	1,401.45	-
ix) Insurance Claim Received	-	5.04
<b>Total</b>	<b>2,676.75</b>	<b>4,161.44</b>

### 16 Construction expenses

	2021-22	2020-21
i) Operation and Maintenance expenses	-	47.86
<b>Total</b>	<b>-</b>	<b>47.86</b>

### 17 Employee benefit expenses

	2021-22	2020-21
i) Salaries, wages and bonus	46.61	51.53
ii) Gratuity and Leave Encashment	1.29	0.87
iii) Contributions to Provident Fund	2.10	1.63
iv) Staff Welfare Expenses	2.32	2.52
<b>Total</b>	<b>52.32</b>	<b>56.55</b>

### 18 Finance Costs:

	2021-22	2020-21
i) Interest expenses	0.93	364.63
ii) Interest on Margin Money Deposit	6.00	6.00
iii) Other finance costs	-	10.97
iv) Interest on late payment of direct and indirect taxes	0.01	14.31
<b>Total</b>	<b>6.94</b>	<b>395.91</b>

## Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2022

(All figures are in lacs unless otherwise stated)

### 19 Depreciation

	2021-22	2020-21
Depreciation	5.23	5.67
<b>Total</b>	<b>5.23</b>	<b>5.67</b>

### 20 Other expenses

	2021-22	2020-21
Professional Fees	278.46	146.80
Brokerage Expenses	0.30	-
Rent	3.66	29.95
Power & Fuel	0.03	12.39
Travelling Expenses	23.21	8.27
Communication	1.85	2.14
Insurance	2.36	2.30
Remuneration to Auditors	18.50	19.68
Office Maintenance	0.10	0.39
Rates & Taxes	2.73	11.60
Bank Charges	0.04	0.01
Printing & Stationary	0.04	0.03
Postage & Courier	0.58	0.20
Motor Car Expenses	0.82	1.24
Directors Fees & Commission	40.50	25.00
Annual Report Expenses	0.27	0.38
Sundry Expenses	28.40	30.03
Provision for Doubtful Debts / Advances	3.06	31.65
Settlement of claim of Subsidiary	-	33.90
Sundry balances written off	77.30	1.36
PPE W/off	3.62	-
Loss on Sale of Investments (refer note 21(c))	483.11	-
<b>Total</b>	<b>968.94</b>	<b>357.32</b>

a) Payment to auditors	2021-22	2020-21
Audit fee including limited review fee	18.50	19.50
Certifications & other services	-	0.03
Reimbursement of expenses	-	0.15
<b>Total payments to auditors</b>	<b>18.50</b>	<b>19.68</b>

## Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2022

(All figures are in lacs unless otherwise stated)

### 21 Exceptional items (Expenses)/income

	2021-22	2020-21
i) Terminated project net balances written (off)/back	2,959.28	-
ii) Provision for impairment of receivables	(30,952.55)	-
iii) Provision for impairment of investment	(25,271.87)	-
iv) Settlement of claim	(4,000.00)	-
	(57,265.14)	-

#### Notes related to Exceptional Items:

- Rs. 51,855.21 Lacs relating to write off of balances of the project being executed of the SPV SSRPL, write back of deferred income relating to the said project, Impairment of receivables from SSRPL and impairment of investment in SSRPL.
- Rs. 600 Lacs relating to impairment of investments made towards the project SHVPL.  
Rs. 809.93 Lacs relating to impairment of investments made towards the associate VSPL.
- Rs. 4,000 Lacs relating to provision made towards settlement of claims arising out of arbitration proceedings.

### 22 Tax Expense

- Income tax expense in the statement of profit and loss consists of:

	2021-22	2020-21
Current Tax	-	-
Taxation for earlier years	-	(37.16)
Deferred tax	53.18	2,773.24
Income tax recognised in statement of profit and loss	53.18	2,736.08

- The reconciliation between the provision of income tax of the Company and amounts computed by applying the Indian statutory income tax rate to profit before taxes is as follows

Particulars	2021-22	2020-21
<b>A Current Tax</b>		
Accounting profit before income tax for 12 months	(55,621.82)	3,360.77
Enacted tax rates in India (%)	25.168%	25.168%
Computed expected tax expenses	(13,998.90)	845.84
Effect of non- deductible expenses	14,577.17	21.52
Effects of deductible Expenses	(12.15)	(14.17)
Non Taxable effects	(630.71)	(294.78)
Set off of brought forward losses	-	(558.41)
Tax	(64.59)	-
Tax Rounded Off.....	-	-

## Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2022

(All figures are in lacs unless otherwise stated)

### B Deferred Tax

Deferred tax assets/(liabilities) in relation to:-

Particulars	Opening	Recognised in profit and loss	Recognised in Other Comprehensive Income	Closing
Property, Plant and Equipment	81.48	(9.93)	-	71.55
Employee benefits	6.93	(4.59)	-	2.33
Unrealised gain on MF	(291.33)	(38.66)	-	(329.98)
As at March 31, 2022	(202.92)	(53.18)	-	(256.10)
Property, Plant and Equipment	109.02	(27.54)	-	81.48
Employee benefits	7.49	(0.57)	-	6.93
Unrealised gain on MF	(232.70)	(58.63)	-	(291.33)
MAT Credit Entitlement	2,686.50	(2,686.50)	-	-
As at March 31, 2021	<b>2,570.32</b>	<b>(2,773.24)</b>	<b>-</b>	<b>(202.92)</b>

### 23 IND AS 33 "Earning Per Share" of the Companies (Indian Accounting Standards) Rules 2015.

Net Profit / (loss) attributable to Equity shareholders and the weighted number of shares outstanding for basic and diluted earnings per share are as summarised below:

	2021-22	2020-21
Net Profit / (Loss) as per Statement of Profit and Loss	<b>(55,675.00)</b>	624.69
Outstanding Equity shares at period end	<b>941,830,724</b>	941,830,724
Weighted average Number of Shares outstanding during the period - Basic	<b>941,830,724</b>	941,830,724
Weighted average Number of Shares outstanding during the period - Diluted	<b>941,848,371</b>	941,848,371
Earnings per Share - Basic (Rs.)	<b>(5.91)</b>	0.07
Earnings per Share - Diluted (Rs.) *	<b>(5.91)</b>	0.07

\* The EPS (in previous period) on dilutive basis is anti-dilutive and therefore it is same as basic EPS.

#### Reconciliation of weighted number of outstanding during the period:

Particulars	2021-22	2020-21
Nominal Value of Equity Shares (Rs per share)	<b>2</b>	2
<b>For Basic EPS :</b>		
Total number of equity shares outstanding at the beginning of the period	<b>941,830,724</b>	941,830,724
Add : Issue of Equity Shares	-	-
Total number of equity shares outstanding at the end of the period	<b>941,830,724</b>	941,830,724
Weighted average number of equity shares at the end of the period	<b>941,830,724</b>	941,830,724
<b>For Dilutive EPS :</b>		
Weighted average number of shares used in calculating basic EPS	<b>941,830,724</b>	941,830,724
Add : Equity shares arising on grant of stock options under ESOP	<b>17,647</b>	17,647
Less : Equity shares arising on grant of stock options under ESOP forfeited /lapsed (included above)	-	-
Weighted average number of equity shares used in calculating diluted EPS	<b>941,848,371</b>	941,848,371



## Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2022

(All figures are in lacs unless otherwise stated)

### 24 Details of Loans and Advances in the nature of Loans

#### a) Disclosure of amounts outstanding at the period end as per Schedule V of the LODR.

Particulars	Balance as on March 31, 2022	Maximum Amount Outstanding during the period	Balance as on March 31, 2021	Maximum Amount Outstanding during the period
Subsidiaries :				
Birmitrapur Barkote Highway Pvt Ltd	-	605.18	605.18	605.18
Cochin Bridge Infrastructure Co Limited	904.79	922.25	922.25	922.25
Chitoor Infrastructure Company Pvt Ltd	9.11	9.11	9.11	9.11
Earthlink Infrastructure Projects Pvt Ltd	1.82	1.82	1.82	1.82
Gammon Logistics Limited	159.61	159.61	159.61	159.61
Gammon Project Developers Limited	78.79	81.54	78.79	81.54
Gammon Renewable Energy Infrastructure Limited	1,031.33	1,328.33	329.33	329.33
Gammon Road Infrastructure Limited	-	132.19	132.19	132.19
Gammon Seaport Infrastructure Limited	74.10	74.10	74.10	75.00
Hariyana Biomass Power Ltd	0.07	0.07	0.07	0.07
Indira Container Terminal Private Limited	3,722.47	3,722.47	3,722.47	3,722.47
Patna Highway Projects Limited	10,460.50	10,460.50	10,460.50	10,460.50
Pravara Renewable Energy Limited	2,444.48	2,498.58	2,444.48	2,498.58
Rajahmuni Godavari Bridge Limited	2,212.75	2,212.75	2,212.75	2,212.75
Segue Infrastructure Project Pvt Ltd	2.50	2.50	2.50	2.50
Sidhi Singrauli Road Projects Ltd	3,527.16	3,527.16	3,527.16	3,527.16
Sikkim Hydro Power Ventures Limited	3,103.41	3,108.96	3,103.41	3,108.96
Tidong Hydro Power Limited	157.23	157.23	157.23	157.23
Tada Infra development Co Ltd	-	0.22	0.22	0.22
Yamunanagar Panchkula Highway Pvt Ltd	915.53	915.53	915.53	915.53
Youngthang Power Ventures Limited	5,734.69	5,734.69	5,734.69	5,734.69

## Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2022

(All figures are in lacs unless otherwise stated)

### b) Details of investments by loanees in the share of subsidiaries of the Company:

Loanee	Investment in Subsidiary	As on March 31, 2022 (No. of shares)	As on March 31, 2021 (No. of shares)
Gammon Projects Developers Limited	Chitoor Infra Company Private Limited	10,000	10,000
	Ras Cities & Townships Private Limited	10,000	10,000
	Earthlink Infrastructure Projects Private Limited	10,000	10,000
	Segue Infrastructure Projects Private Limited	10,000	10,000

## 25 Details of Joint Ventures

### a) Details of Joint Ventures entered into by the Company.

	% of Interest as at	
	March 31, 2022	March 31, 2021
Blue Water Iron Ore Terminal Private Ltd (BWOTPL)	10.12%	10.12%
SEZ Adityapur Ltd	38.00%	38.00%
GIPL -GECPL JV	40.00%	40.00%
GIPL - GIL JV	95.00%	95.00%

All the above joint ventures entities are incorporated in India.

## 26 Commitments

Particulars	March 31, 2022	March 31, 2021
Other Commitments:		
- Share of equity commitment in SPV's	3,792.62	6,990.62
- Buyback / purchase of shares of subsidiaries	-	300.00
<b>Total</b>	<b>3,792.62</b>	<b>7,290.62</b>

## 27 Contingent Liabilities

### 1 Guarantees:

- The Company has issued Corporate Guarantees as a security for loan availed by its subsidiaries, amounting to Rs. 229,486.84 lacs (previous period Rs. Rs. 227,513.55 lacs)
- Counter Guarantees given to the bankers for the guarantees given by them on our behalf Rs. 3,500.00 lacs (previous year Rs. 4,222.00 lacs).

## Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2022

(All figures are in lacs unless otherwise stated)

### 2 Other Contingent liability :

Particulars	March 31, 2022	March 31, 2021
i) Claims against the company not acknowledged as debts	-	9,448.04
ii) Disputed Tax demand against which the Company has preferred appeals	<b>5,973.16</b>	5,972.40
iii) Tax paid and refunds adjusted against the same	<b>(1,924.63)</b>	(1,923.87)
iv) TDS demands under rectification	<b>5.27</b>	5.27
v) Tax demand of SPVs sold for which the Company is liable under the SHA against which the SPV has preferred appeal on the advice of the Company	<b>2,896.66</b>	2,819.15

**3** i) The Company have received a letter for transfer of shares of one of its divested subsidiary from a party who has paid advance for the same. The Company does not acknowledge the Claim due to non satisfaction of certain conditions and is in the process of refunding the said advance to the party.

ii) The project of the Company with Madhya Pradesh Road Development Corporation Limited (MPRDC) is terminated during the year. The concession Agreement provide for Stringent penalties for delayed and Non completion of the project , taken into above consideration the Liquidated Damages payable by the Company would be Rs.7074.14 lakhs from the date of last extension granted by MPRDC i.e. October 19,2017 till 31st March 2022. However the amount is recoverable from the sub Contractor i.e. Techno Unique Infratech Pvt Ltd as per the terms of agreement.

**28** Project related notes: In respect of the following projects / Special Purpose Vehicles (SPVs) of the Company where the company has investment there are legal issues, arbitration proceedings or negotiations with the Concession Grantor for which the Management is taking necessary steps to resolve the matters -

a) Container Terminal at Mumbai: The Project was delayed due to non-fulfilment of certain obligations by the Mumbai Port Trust (MbPT) under the License Agreement (LA) signed by the SPV with MbPT. The Roll-On-Roll-Off (RORO) operations was allowed by MbPT as an interim measure for alternate use of the 2 (two) berths for a mix of cargo of container, steel and RORO and is still continuing. However, the revenue generated through alternative use is inadequate for repayment of principal and interest of the Lenders and the credit facility account was declared NPA (Non Performing asset) by the Lenders of the SPV. The SPV has issued a Dispute Notice for the Licensor's Event of Default against MbPT and called upon the Licensor to refer the disputes for amicable settlement under the LA and the matter is pending with MbPT. A petition was filed by the SPV under section 9 and an application under section 11 of the Arbitration and Conciliation Act, 1996 was also filed where in Order dated 1st August 2019 is passed and interim protection by way of prayer is allowed for carrying ad-hoc RORO operations.

The SPV and the MBPT have nominated their arbitrators and they in turn have jointly appointed the Presiding Arbitrator/Umpire arbitrator and accordingly, the Arbitral Tribunal (AT) is formed. The SPV has duly filed its Statement of Claim (SOC) against MbPT for an amount of Rs. 296,736 lacs on 8th November 2019. MbPT has filed their Statement of Defense (SOD) and filed their Counter Claim of Rs 240,000 lacs with the Tribunal.

In the meantime, MbPT has sent letters dated May 28, 2021 / October 08, 2021 and invited ICTPL for a settlement of all disputes raised with the Arbitral Tribunal, to which ICTPL has replied and given their concurrence and the process is under active discussion. Both the parties have sought permission to keep the ongoing arbitration in abeyance for next 6 months since the parties have started conciliation proceedings. Virtual hearing was held by the Tribunal on 01-11-2021 to determine if the above application for keeping the matter in abeyance for a period of 6 months can be allowed and if the same would be

## Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2022

*(All figures are in lacs unless otherwise stated)*

in compliance of Arbitration and Conciliation Act,1996. After initial review, the extension was allowed and both the parties were directed to intimate the conciliation proceedings to the tribunal by 25th May,2022. Since there was no outcome, both the parties jointly opined for the further extension and accordingly ICTPL has filed a joint application dated 24th May,2022 requesting to put the arbitration proceedings in abeyance for a period up to 31st August,2022 to wait for the outcome of the conciliation proceedings before the CSC.

The SPV's submission of a One-Time Settlement (OTS) proposal to the consortium of Lenders', and the decision on acceptance, which is dependent upon fulfilment of certain conditions, are yet to be concluded.

The Auditors of the SPV have highlighted material uncertainty regarding going concern issue in their report for the year ended March 31, 2022 and have qualified their report relating to their inability to opine on impairment pending the settlement of the outstanding dispute. The Management has resumed discussions on revival of the Project with MbPT and the Ministry of Shipping (MoS) and is hopeful of finding an amicable resolution. The exposure of the Company in the SPV / project is Rs 13,304.46 lacs.

- b) Sidhi Singrauli Road Project Limited (SPV of the company) had signed a Concession Agreement (CA) for 30 years for upgradation of existing highway from two-lane to four-lane with Madhya Pradesh Road Development Corporation Limited (MPRDC). AJR Infra and Tolling Limited (Formerly Gammon Infrastructure Projects Limited) is the EPC contractor for the Project.

The Project was scheduled to commence commercial operations from 19th September 2015. However, delays on account of MPRDC in providing the required clearances and the Right of Way (ROW), has resulted in the extension of the Commercial Operations Date (COD). These delays have also resulted in increase in project cost, primarily due to increase in interest during construction period resulting from the time overruns and the credit facility with consortium of banks / lenders was classified as Non-Performing Asset (NPA).

Meanwhile, the Lead Bank has also issued notice dated October 15, 2019 for invocation of Corporate Guarantee (CG) issued by the Company in favour of the SPV's Banks / Lenders, due to financial default by the SPV. The SPV and the company have filed its response dated November 11, 2019 to the said notices issued by the Lead Bank. The Lead bank has also sent Demand cum loan recall notice dated 30th December, 2021 demanding repayment of loan availed from the Consortium of Lenders (Including Indian Bank e-Allahabad Bank and IIFCL). The SPV has duly replied to the notice vide letter dated 31st January,2022.

During the previous year, the SPV had received notice of intention to terminate the Project vide letter dated July 17, 2020 from MPRDC followed by a Termination Notice dated August 13, 2020 and advised the SPV vide their letter dated August 24, 2020 to comply with the divestment rights and interest under the provisions of the Concession Agreement and handover the Project to MPRDC.

Pursuant to the Termination Notice issued by MPRDC, SPV has contested the Termination Notice vide their letter dated 1st October 2020 and has approached MPRDC and Ministry of Road Transport and Highways (MoRTH) to find an amicable resolution under the circular dated March 09, 2020 on stuck BOT projects issued by MoRTH in the interest of all the stakeholders. The Company is exploring options to find an amicable resolution for the Project. Meanwhile, the company has also invoked the Arbitration process vide letter dated 22nd February ,2021 and a 3 member Arbitration Tribunal has been constituted. Two virtual hearings were held and the SPV has submitted its Statement of claims amounting to Rs 284,804.32 Lacs to the Arbitral Tribunal on 8th September,2021 as per its procedural order dated 2nd June,2021 / extensions granted thereunder. The respondents have also filed their SOD. The SPV has duly replied to the SOD and counter claim filed by MPRDC and also filed rejoinder to the written statement. The order related to the last hearing was pronounced with a decision that MORTH should be a party to the arbitration proceedings.

## Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2022

*(All figures are in lacs unless otherwise stated)*

In view of the issues and problems associated with the progress of the project including the final notice to terminate the project and subsequent developments in various arbitration hearings as detailed above the Company on a prudent basis has made provision for impairment of its investments and written off/ (back) project balances amounting to Rs 51,855.21 lacs and shown the same as exceptional item. The auditor of the SPV have highlighted material uncertainty regarding going concern issue in their audit report for the year ended March 31, 2022.

- c) Bridge project at Cochin: The Greater Cochin Development Authority (GCDA) has sought to end the toll collection by unilaterally sealing the toll booth. Cochin Bridge Infrastructure Company Limited (SPV) has initiated arbitration / settlement process. The SPV has also in parallel filed a writ in the matter before the Hon'ble Kerala High Court for specific performance. However, the Government of Kerala approached the Hon'ble High Court for further extension of time and the Court granted extension to settle the matter, subsequent to which the SPV has filed amended plaint. The said SPV pursuant to the assurance given by GCDA and State Government filed a fresh writ petition for directions to GCDA to pay the dues of SPV. The arbitration process were kept in abeyance.

Matter was last listed on 10th July 2019 wherein it was argued and after considering the points of arguments, the Hon'ble High Court passed the orders that the writs petition stands dismissed with reserving the liberty to seek appropriate resolution before the Arbitral Tribunal. The SPV is the process of re-constituting the Arbitral Tribunal and has intimated GCDA vide its letter dated 3rd January 2020 for revival of the Arbitration proceedings and to appoint their nominee arbitrator. Since, GCDA is neither responding nor appointing its nominee arbitrator, the SPV has filed an application under section 11 & section 14 of the Arbitration and Conciliation Act with the Hon'ble Kerala High Court and duly informed that they have nominated their new arbitrator with regard to reconstitution of the Ld Arbitral Tribunal. The matter was listed on 21st June, 2022 whereby the Hon'ble Kerala High Court appointed the sole arbitrator to adjudicate the disputes. The exposure of the Company in the SPV is Rs 2,392.68 lacs (funded and non-funded).

- d) Hydro power project at Himachal Pradesh – the Project is stalled due to local agitation relating to environment issues. The SPV has received letter from the Government of Himachal Pradesh (GoHP), to discuss the matter mutually towards amicable resolution. After the SPV invoked arbitration on 19th February 2018, the SPV has received a letter from GoHP dated 4th September 2018 intimating that their office has begun the process for finalisation of the panel of Arbitrators and the nomination in this regard shall be intimated to the SPV shortly. The SPV has appointed its arbitrator in the matter and has also reminded GoHP to nominate its arbitrator, since there was no action from GoHP on the matter, the SPV has moved the Himachal Pradesh High Court under section 11 of the Arbitration and Conciliation Act. Vide order dated 24th July, 2021 passed by the Hon'ble High court, the arbitration petition was disposed after appointment of Sole arbitrator in this matter. The SPV has filed the Statement of claims on 15th January, 2022 and GoHP has also filed their SOD on 29th April, 2022. Based on the view of the sole arbitrator, no rejoinder is required in this case and next hearing is scheduled for November 4, 2022 for cross examination of witnesses. The Management is hopeful of an early settlement in the matter and is confident of recovering the amount of exposure. The exposure of the Company in the SPV is Rs.7,125.52 lacs.
- e) The Company has incorporated a SPV for developing Rangit-II Hydroelectric Power Project in Sikkim on Build, Own, Operate and Transfer (BOOT) basis. The Project involves the development of a 66 MW run-of-the-river Hydroelectric Power Project on Rimbi river, a tributary of river (COD). The Project is presently in a state of limbo pending the signing of PPA and achieving financial closure. The Management is of the view that the present situation in power business is temporary and does not foresee any need for impairment. The exposure of the Company in the SPV is Rs. 9,437.10 lacs.

## Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2022

*(All figures are in lacs unless otherwise stated)*

One of the operational creditors of the SPV had filed an application under the Insolvency and Bankruptcy Code, 2016 (IBC) with the Hon'ble National Company Law Tribunal (NCLT), Delhi and the application has been admitted by NCLT vide their order dated July 30, 2020 received on August 05, 2020 and Interim Resolution Professional (IRP) has been appointed.. The Company (AJRITL) had filed an appeal against the said order before National Company Law Appellate Tribunal (NCLAT). The matter was adjourned to 19-04-2021 at the request of the company after NCLAT was informed that the claim of the above operational creditor has been settled. In the meantime, RP submitted an application dated 18th September, 2021 at Hon'ble NCLT to seek liquidation order u/s 33(2) of IBC code,2016 and the SPV has filed an application under Sec 60 of IBC,2016. Based on the amicable settlement between the SPV and other parties concerned the RP has withdrawn the liquidation application and also submitted its application for withdrawal of CIRP proceedings under Sec 12A . The said application was heard on 3rd June,2022 and Hon'ble National Company Law Tribunal (NCLT), Delhi was pleased to withdraw the CIRP proceeding and directed to handover the Management of the SPV back to the Promoters of the Company. Accordingly, the appeal filed by the Company at NCLAT was also withdrawn and the matter was accordingly disposed.

Post withdrawal of the CIRP proceedings, the company has been in discussion with prospective buyers for Sale or otherwise dilution of Company's investment in the SPV and have also obtained in principal approval vide special resolution at the EGM dated 12th August,2022. Based on the best offers received from the prospective buyer, the company has given effects of possible impairment of investment amounting to Rs. 600 lacs.

- f) Pravara Renewable Energy Limited (SPV of the company) – Pravara has entered into a Project Development Agreement (PDA) with Karkhana (Padmashri Dr. Vithalrao Vikhe Patil Sahakari Sakhar Karkhana Limited) for the development of a 30 MW Cogeneration Project on Build-Own-Operate-Transfer (BOOT) basis. The Concession period is 25 years from Commercial Operation Date (COD).

the viability of the project and the ability to continue as a going concern depends upon the ability of the SPV to procure Baggasse / alternate Fuel at a viable price either from Karkhana under the arrangement to supply them power in return or from the open Market. In view of the pending settlement between the SPV and Karkhana, the availability of adequate Baggasse to run the plant at optimum capacity is a matter of significant uncertainty.

The SPV has filed an application under Sec 9 of Arbitration and conciliation Act, 1996 against Karkhana seeking interim reliefs which was heard by Hon'ble High Court on 30th October, 2021 and adjourned to 22nd November,2021 for filing reply. The Single Judge of the Hon'ble Bombay High Court, after elaborately dealing with the contentions of both the parties, passed an Order dated 11th April,2022 to restrain Karkhana and any representative acting on behalf of the Karkhana, from entering the premises of the SPV's Co-generation Plant pending the hearing/final disposal and until final execution of the Arbitral Award. Subsequently, on 2nd May, 2022, after dealing with the submissions of Karkhana's appeal and contentions of both the parties, Division Bench of the Hon'ble Bombay High Court had admitted the Karkhana's appeal filed under section 37 of the Arbitration & Conciliation Act ("the Act"), and granted stay of the Order dated 11th April, 2022 passed by the Single Judge in Commercial Arbitration Petition (L.) No. 23525 of 2021 (filed under Section 9 of the Act by the Petitioner)

Based on Special Leave Petition (SLP) filed by the Company against the impugned Order dated 2nd May, 2022 passed by the Hon'ble High Court of Judicature at Bombay and after hearing both the parties, Supreme Court had directed the SPV vide order dated 20th May,2022 to approach Arbitration Tribunal for relief since the tribunal is constituted. Accordingly, SPV has filed its relief application under Sec 17 of Arbitration and conciliation Act, 1996 on 18/07/2022 against Karkhana.

In the meantime, Karkhana had approached Debts Recovery Tribunal, Auranagabad and the matter was listed with objections on the maintainability and the Interlocutory application No 1239/2021 for

## Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2022

*(All figures are in lacs unless otherwise stated)*

seeking certain directions for stay. DRT, Aurangabad in its order has directed to register this case as a Securitisation application and directed the bank to give minimum 15 days notice prior to taking physical possession. Based on the submission of Karkhana that the Plant was possessed and run by Karkhana, the tribunal ordered to maintain status quo. The SPV has taken legal opinion on the matter and has challenged the Order dated 29<sup>th</sup> December, 2021 passed by the DRT Aurangabad before the Hon'ble DRAT, Mumbai.

The borrowing facility of the company has been marked as non performing assets by the lenders, hence no interest has been debited by the lenders in the Loan Statements. The company has made provision for interest on the basis of the last sanction and last revision of terms. Therefore the loan balances and finance cost are subject to confirmation and consequent reconciliation, if any. Recall notice date 27/09/2021 and 22/11/2021 were issued by the Lenders, Central Bank of India and Union Bank of India respectively vide which both the lenders recalled the entire outstanding amounts owed by the Company (Term loan and Cash credit) to which the company has suitably replied. Also, Both the lenders have jointly filed an Original Application No. 69/2021 before the DRT-II, New Delhi, against the Company and others for the enforcement of the claims of lenders against the Company, in respect of the Term Loan and Working Capital Loan sanctioned to the Company by the lenders. Ex Parte Order was passed by DRT II, Delhi with a direction to maintain status quo in respect of assets as per section 19 sub-section (4) of the Recovery of Debts and Bankruptcy Act 1993." The company has challenged the Order passed by DRT II, Delhi. Also on 9<sup>th</sup> March, 2022 / 26<sup>th</sup> May, 2022, Union Bank of India / Central Bank of India respectively affixed the impugned notice under Section 13(4) of the SARFAESI Act 2002 at the premises of the Company's Co-gen plant and taken symbolic possession. The Company has challenged both the notices at DRT, Mumbai.

The Credit facilities are marked as Non Performing Assets. The use of coal as an alternate fuel has other issues of cost and operations. The lenders also are not providing any further funding for the procurement of the inventory for the running of the plant. Also Karkhana has taken illegal / unauthorised possession of the Plant and has been running the plant without authorisation / consent of the SPV. In view of the above situation, power generated for the period Jan, 22 to Mar, 22 exported to the Grid has not been accounted as Revenue in the books of the SPV. Similarly Fuel (Bagasse) consumed at the Plant for the generation of power for the captioned period of Jan, 22 to Mar, 22 has not been accounted as expense / Inventory in the books of the SPV.

The management however is hopeful of resolving the issues and accordingly the SPV's financials are prepared on a going concern basis. The exposure of the Company in the SPV is Rs 29,677.58 lacs (funded and non-funded).

### 29 Material Uncertainty related to Going Concern

There is a continuing mismatch of cash flows including the dues to the subsidiary which are due for repayment pursuant to negotiation., The current liabilities are in excess of current assets by Rs. 1,41,675.76 lacs as at March 31, 2022. The liquidity crunch is affecting the Company's operation with increasing severity. Further, various projects of the Company as stated in detail in Note 28 above are under stress and the outcome of the continuance of these projects would be dependent upon favourable decision being received by the Management on the outstanding litigations. The resolutions planned by the Management are pending since a long time and are not concluding in favor of the Company.

The Management however is confident that the going concern assumption and the carrying values of the assets and liabilities in these Standalone Financial Results are appropriate. Accordingly, the Financial Statements do not include any adjustments that may result from these uncertainties.

### 30 Other Financial Assets includes Rs 1,514.01 lacs due from Western Coalfields Limited (WCL) on account of wrongful encashment of bank guarantee against which the Company has filed a suit for Recovery of damages. Subsequent to the encashment, the Company has filed an application for converting earlier



## Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2022

*(All figures are in lacs unless otherwise stated)*

injunction application to suit for recovery of damages. The Company has sought a legal opinion in this matter and has been advised that it has a good case for recovery of the amount. The Management is hopeful of getting favourable decision on the matter and recovery of damages based on legal advice on the matter. The next date has been fixed for 20<sup>th</sup> September, 2022 for framing of issues. Pending the outcome, the Company has shown bank guarantee encashment amount as receivable from WCL.

**31** During the previous periods, in respect of 2 (two) of its subsidiary companies, Corporate Insolvency Resolution Proceedings (CIRP) were initiated by financial creditors of the respective subsidiaries by filing a petition before the Hon'ble National Company Law Tribunal (NCLT). The NCLT admitted the petition and accordingly, the Boards of the respective subsidiaries were superseded, and Interim Resolution Professional/ Resolution Professional (RP) were appointed. Accordingly, the Company namely; AJR Infra and Tolling Limited (Formerly Gammon Infrastructure Projects Limited) lost control over these 2 subsidiaries. These equity instruments presently are carried at Fair Value through Profit & Loss. The book value of these investments are considered as fair value since the valuation reports are yet to be received and accepted by the company. The subsidiaries are:

a) Patna Highway Projects Limited (PHPL): Patna Highway Projects Limited (PHPL): One of the Lender i.e. Corporation Bank (merged with Union Bank of India w.e.f. 1st April 2020) had filed an application under the provisions of Insolvency and Bankruptcy Code, 2016 (IBC) with NCLT which had been admitted and an Interim Resolution Professional (IRP) had been appointed on 7<sup>th</sup> January 2020. The Net exposure of the Company is Rs. 1,40,318.58 lacs (funded and non-funded). The valuation exercise has been concluded by the Resolution Professional (RP). The extent of impairment required in the books of accounts of the Company, if necessary will be assessed and given effect on the receipt of valuation report and its acceptance by the Company. The Corporate Guarantee provided by the Company are continued to be shown as contingent liabilities.

Resolution Plan submitted by Sliver Point has been accepted by the COC/ RP against which the Company had filed an intervention application before NCLT, which has since been rejected by Hon'ble NCLT. The Company has filed an appeal on 13<sup>th</sup> July 2022 against the impugned order in NCLAT.

b) Rajahmundry Godavari Bridge Limited (RGBL): One of the Consortium Banks of RGBL had initiated and filed an application under the provisions of Insolvency and Bankruptcy Code, 2016 (IBC) with NCLT. The Hon'ble NCLT had passed an order dated 27<sup>th</sup> February 2020 admitting the matter to Corporate Insolvency Resolution Process (CIRP) under the IBC and appointing an Interim Resolution Professional (IRP) on 27<sup>th</sup> February 2020. The IRP has been replaced with a new Resolution Professional (RP) pursuant to the Hon'ble NCLT order dated August 21, 2020 which was issued on September 08, 2020 based on an application filed by the Committee of Financial Creditors / Lenders and the new RP has taken charge of RGBL from the erstwhile IRP and the Project. The net exposure of the Company is Rs. 1,18,001.70 lacs (funded and non-funded). The valuation exercise has been concluded by the Resolution Professional (RP). The Management contended that the extent of impairment required in the books of accounts of the Company, if necessary, will be assessed and given effect on the receipt of valuation report and its acceptance by the Company.

The Company had filed an application at Hon'ble NCLT being aggrieved by the rejection of COC to consider the proposal dated 24.02.2022 of the applicant under section 12A of IBC. The matter was listed on 7<sup>th</sup> June, 2022 for admission of the petition. The Hon'ble Members were pleased to direct the RP to file reply to the subject IA and further stated that upon approval of the resolution plan by the CoC, application under section 12A is not maintainable. At the next hearing dated 21<sup>st</sup> June, 2022 the company requested for time to file an affidavit in rejoinder to the reply filed by the Resolution Professional. Resolution Plan submitted by M/s. Prakash Asphaltings & Toll Highways (India) Limited has been accepted by the COC/ RP against which the company had filed an intervention application before NCLT, challenging the Resolution Plan which has since been rejected by Hon'ble NCLT. The company is in process of filing appeal against the impugned order in NCLAT.

## Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2022

(All figures are in lacs unless otherwise stated)

### 32 Disclosure in accordance with Ind AS – 116 "Leases", of the Companies (Indian Accounting Standards) Rules, 2015.

a) The Company has taken office premises on lease and license basis which are cancellable contracts.

### 33 Disclosure in accordance with Ind AS – 108 "Operating Segments", of the Companies (Indian Accounting Standards) Rules, 2015.

The Company's operations constitutes a single business segment namely "Infrastructure Development" as per INDAS 108. Further, the Company's operations are within single geographical segment which is India. As such, there is no separate reportable segment under Ind AS – 108 on Operating Segments.

Revenue contributed by two customers in the operating segments exceeds ten percent each of the Company's total revenue aggregating to Rs. Nil (P.Y. 62.64 Lacs).

### 34 Disclosure in accordance with Ind AS – 24 "Related Party Disclosures", of the Companies ( Indian Accounting Standards) Rules, 2015

Details are given in Annexure -1

### 35 Derivative Instruments and Unhedged Foreign Currency Exposure

There are no derivative instruments outstanding as at March 31, 2022 and March 31, 2021 . The Company has no foreign currency exposure towards liability outstanding as at March 31, 2022 and March 31, 2021.

### 36 Significant accounting judgements, estimates and assumptions

The financial statements require management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosures of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

#### Judgements

In the process of applying the company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the separate financial statements.

#### Taxes

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

#### Defined benefit plans (gratuity benefits)

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

The parameter most subject to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. The underlying bonds are further reviewed for quality. Those having excessive credit spreads are excluded from the analysis of bonds on which the discount rate is based, on the basis that they do not represent high quality corporate bonds.

## Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2022

(All figures are in lacs unless otherwise stated)

### 37 Financial Instruments

- i) The carrying value and fair value of financial instruments by categories as at March 31, 2022, March 31, 2021 is as follows:

	Carrying Value		Fair Value	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
<b>a) Financial assets</b>				
Amortised Cost				
Loans	<b>3,484.92</b>	2,453.59	<b>3,484.92</b>	2,453.59
Others	<b>85,179.12</b>	125,134.47	<b>85,179.12</b>	125,134.47
Trade receivables	<b>524.41</b>	7,982.41	<b>524.41</b>	7,982.41
Cash and cash equivalents	<b>69.87</b>	139.94	<b>69.87</b>	139.94
FVTPL				
Mutual Funds	<b>5,183.15</b>	5,062.78	<b>5,183.15</b>	5,062.78
<b>Total Financial Assets</b>	<b>94,441.47</b>	<b>140,773.18</b>	<b>94,441.47</b>	<b>140,773.18</b>
<b>b) Financial liabilities</b>				
Amortised Cost				
Borrowings	<b>10,832.46</b>	14,425.60	<b>10,832.46</b>	14,425.60
Trade payables	<b>2,054.74</b>	2,150.54	<b>2,054.74</b>	2,150.54
Others	<b>122,508.54</b>	118,982.57	<b>122,508.54</b>	118,982.57
<b>Total Financial Liabilities</b>	<b>135,395.74</b>	<b>135,558.71</b>	<b>135,395.74</b>	<b>135,558.71</b>

The management assessed that fair value of cash and short-term deposits, trade receivables, trade payables, book overdrafts and other current financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

### 38 Fair Value Hierarchy

This section explains the judgments and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the group has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 – Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

## Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2022

(All figures are in lacs unless otherwise stated)

The following table presents the fair value measurement hierarchy of financial assets and liabilities measured at fair value on recurring basis as at March 31, 2022 and March 31, 2021

	Date of Valuation	Fair Value measurement using		
		Quoted prices in active markets (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
<b>'Financial assets measured at fair value</b>				
Mutual funds – Growth plan	31-Mar-21	5,062.78	–	–
<b>Total financial assets</b>		<b>5,062.78</b>	<b>–</b>	<b>–</b>
<b>'Financial assets measured at fair value</b>				
Mutual funds – Growth plan	31-Mar-22	5,183.15	–	–
<b>Total financial assets</b>		<b>5,062.78</b>	<b>–</b>	<b>–</b>

### 39 Financial Risk Management

The Company is in the business of infrastructure development and it undertakes projects in multiple infrastructure segments. The nature of the business is complex and the Company is exposed to multiple sector specific and generic risks. PPP projects which the Company undertakes are capital intensive and have gestation periods ranging between 3 to 5 years; coupled with longer ownership periods of 15 to 35 years. Given the nature of the segments in which the company operates, be it in the Road Sector, Power Sector, Ports or Urban Development, it is critical to have a robust, effective and agile Risk Management Framework to ensure that the Company's operational objectives are met and continues to deliver sustainable business performance. Over the years, several initiatives have been taken by the Company to strengthen its risk management process. An enterprise wide comprehensive risk management policy including risk appetite, tolerance and risk limits for more effective, informed and measurable risk management has been developed and it continues to evolve.

The Company's activities expose it to a variety of financial risks: credit risk, liquidity risk, and interest rate risk, regulatory risk and business risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The primary market risk to the company is interest rate risk.

The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below:

#### Financial risk factors

##### i) Business / Market Risk

Business/ 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.

One of the first and foremost business risk is the achievement of the traffic projections made at the time of the bid. This will include the introduction of alternate roads by the state or central government which impacts the traffic projected to ply on the asset under the control of the Company. The concession agreement provides some safeguards in this regard but many of them are unforeseen and exposes the Company / SPV to risk.

## Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2022

(All figures are in lacs unless otherwise stated)

### ii) Capital and Interest rate Risk

Infrastructure projects are typically capital intensive and require high levels of long-term debt financing. The Company intends to pursue a strategy of continued investment in infrastructure development projects. In the past, the Company was able to infuse equity and arrange for debt financing to develop infrastructure projects on acceptable terms at the SPV-level of relevant projects. However, the Company believes that its ability to continue to arrange for capital requirements is dependent on various factors. These factors include: timing and internal accruals generation; timing and size of the projects awarded; credit availability from banks and financial institutions; the success of its current infrastructure development projects. Besides, there are also several other factors outside its control. However, the Company's track record has enabled it to raise funds at competitive rates. The Company's average cost of debt remains at 13.78% p.a.

### iii) Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Companies profit before tax is affected through the impact on floating rate borrowings, as follows:

Particulars	Increase/ Decrease in basis points	Effects on Profit before tax.
<b>March 31, 2022</b>	Plus 100 basis point	(108.33)
	Minus 100 basis points	108.33
<b>March 31, 2021</b>	Plus 100 basis point	(144.26)
	Minus 100 basis points	144.26

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment, showing a significantly higher volatility than in prior years.

### iv) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investment securities. Credit risk arises from cash held with banks and financial institutions, as well as credit exposure to clients, including outstanding accounts receivable. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets.

#### a) Trade and Other Receivables

The maximum exposure to the credit risk at the reporting date is primarily from trade receivables amounting to Rs. 7982.41 lacs as at March 31, 2022 and Rs. 7982.41 lacs as at March 31, 2021, which is primarily from the SPV of the Company.

Since the primary customer is the SPV the credit risk is remote. In the absence of any bad debts from the SPV in the past the expected credit loss is zero and the Company is making no provisions on account any expected credit loss.

The credit risk from customers in the case of the SPV is very low as without payment of upfront toll the vehicles is not allowed to pass. However there are frequent local political issues which result in leakages which is a credit risk for the Company.

## Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2022

(All figures are in lacs unless otherwise stated)

### (v) Liquidity risk

The company's principal sources of liquidity are cash and bank balances and the cash flow that is generated from operations.

The company has outstanding borrowings of Rs 10,832.67 lacs as at March 31, 2022 and Rs 14,425.60 lacs as at March 31, 2021.

The companies' working capital is not sufficient to meet its current requirements. Accordingly, liquidity risk is perceived. The Current Liabilities of the Company exceeds current Assets by Rs 1,45,449.89 Lakhs as at March 31, 2022 and by Rs 1,48,760.46 Lakhs as at March 31, 2021. These conditions indicate the existence of an uncertainty as to timing and realization of cash flow of the company.

The achievement of the projections in the traffic and the toll rates by the SPV is critical for the liquidity to pay the lenders.

Timely completion of the project has a major impact on the liquidity of the SPV. The delay caused due to the grantor and the timely receipt of compensation from the grantor impacts liquidity of the SPV and the holding company materially and is one of the major reasons for the liquidity issue of the group.

The Working Capital Position of the Company is given below:

	March 31, 2022	March 31, 2021
Cash and Cash Equivalent	58.37	28.63
Bank Balance	11.50	111.31
Interest bearing deposits with Corporates	3,484.92	2,453.59
<b>Total</b>	<b>3,554.79</b>	<b>2,593.53</b>

The table below provides details regarding the contractual maturities of significant financial liabilities :

	Less than 1 year	1-2 year	2-5 years	More than 5 years
<b>As at March 31, 2022</b>				
Borrowings	10,832.46	-	-	-
Trade Payables	2,054.74	-	-	-
Other Financial Liabilities	122,508.54	3,832.77	-	-
Other Liabilities	14,673.79	-	-	-
<b>Total</b>	<b>150,069.54</b>	<b>3,832.77</b>	<b>-</b>	<b>-</b>
<b>As at March 31, 2021</b>				
Borrowings	14,425.60	-	-	-
Trade Payables	2,150.54	-	-	-
Other Financial Liabilities	118,982.57	3,832.77	-	-
Other Liabilities	25,253.79	-	-	-
<b>Total</b>	<b>160,812.50</b>	<b>3,832.77</b>	<b>-</b>	<b>-</b>

## Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2022

(All figures are in lacs unless otherwise stated)

### (vi) Competition Risk:

The Company is operating in a highly competitive environment with various Companies wanting a pie in the project. This invariably results in bidding for projects at low margins to maintain a steady flow of the projects to enable the group to retain the projects team and to maintain sustainable operations for the Company and the SPVs. The ability of the Company to build the infrastructure at a competitive price and the ability to start the tolling operations is very important factor in mitigating the competition risk for the group.

### (vii) Input cost risk

Raw materials, such as bitumen, stone aggregates cement and steel, need to be supplied continuously to complete projects undertaken by the group. As mentioned in the earlier paragraph of the business risk and the competition risk the input cost is a major risk to attend to ensure that the Company is able to contain the project cost within the estimate projected to the lenders and the regulators. To mitigate this the group sub-contracts the construction of the facility at a fixed price contract to various subcontractor within and without the group.

### (viii) Exchange risk

Since the operations of the group are within the country the group is not exposed to any exchange risk directly. The group also does not take any foreign currency borrowings to fund its project and therefore the exposure directly to exchange rate changes is minimal. However there are indirect effects on account of exchange risk changes, as the price of bitumen, which is a by-product of the crude, is dependent upon the landed price of crude in the country.

## 40 Capital management

For the purpose of the Group's capital management, capital includes issued equity capital, convertible preference shares, share premium and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Group's capital management is to maximise the shareholder value.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The gearing ratio in the infrastructure business is generally high. The Group includes within net debt, interest bearing loans and borrowings, trade and other payables, less cash and cash equivalents, excluding discontinued operations.

Particulars	March 31, 2022	March 31, 2021
Gross Debt	10,832.46	14,425.60
Less:		
Cash and Cash Equivalent	58.37	28.63
Bank Balance	11.50	111.31
Marketable Securities -Liquid Mutual Funds	5,183.15	5,062.78
Net debt	5,579.43	9,222.88
Total Equity	29,734.13	85,407.92
Gearing ratio (A/B)	0.19	0.11



## Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2022

*(All figures are in lacs unless otherwise stated)*

**41** The information about transaction with struck off Companies (defined under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956) has been determined to the extent such parties have been identified on the basis of the information available with the Company and the same is relied upon by the auditors.

**42** Analytical Ratios as per requirements of Schedule III are given in Annexure – 2

**43** The balance sheet, statement of profit and loss, cash flow statement, statement of changes in equity, statement of significant accounting policies and the other explanatory notes forms an integral part of the financial statements of the Company for the year ended March 31, 2022

As per our report of even date  
For **NAYAN PARIKH & CO.**  
ICAI Firm Registration No. : 107023W  
Chartered Accountants

For and on behalf of the Board of Directors of  
**AJR INFRA AND TOLLING LIMITED**

**K N Padmanabhan**  
*Partner*  
M.No. 036410

**Jaysingh Ashar**  
*Director*  
DIN: 07015068

**Mineel Mali**  
*Whole-Time Director*  
DIN: 06641595

Place : Mumbai  
Dated : September 01, 2022

**Vinay Sharma**  
*Chief Financial Officer*

**Kaushal Shah**  
*Company Secretary*  
M. No. ACS 18501

## Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2022

(All figures are in lacs unless otherwise stated)

### Annexure – 1

#### Related Party Disclosure (Refer Note 34 )

##### a) Relationships :

##### Entity where control exists :

- 1 Gammon Power Limited – Entities having significant influence (w.e.f Sept 08,2017)
- 2 Gammon India Limited – Entities having significant influence

##### Subsidiaries:

- |    |  |    |  |
|----|--|----|--|
| 1  | Birimtrapur Barkote Highway Pvt Ltd            | 13 | Pravara Renewable Energy Limited                       |
| 2  | Chitoor Infrastructure Company Private Limited | 14 | Ras Cities and Townships Private Limited               |
| 3  | Cochin Bridge Infrastructure Company Limited   | 15 | Segue Infrastructure Projects Pvt Ltd                  |
| 4  | Earthlink Infrastructure Projects Pvt Ltd      | 16 | Sidhi Singrauli Road Project Ltd                       |
| 5  | Gammon Logistics Limited                       | 17 | Sikkim Hydro Power Ventures Limited                    |
| 6  | Gammon Projects Developers Limited             | 18 | Tada Infra Development Company Limited                 |
| 7  | Gammon Renewable Energy Infrastructure Limited | 19 | Tidong Hydro Power Limited                             |
| 8  | Gammon Road Infrastructure Limited             | 20 | Vijaywada Gundugolanu Road Project Pvt Ltd             |
| 9  | Gammon Seaport Infrastructure Limited          | 21 | Vizag Seaport Private Limited (Up to October 28, 2021) |
| 10 | Haryana Biomass Power Limited                  | 22 | Yamunanagar Panchkula Highway Pvt Ltd                  |
| 11 | Indira Container Terminal Private Limited      | 23 | Youngthang Power Ventures Limited                      |
| 12 | Marine Projects Services Limited               | 24 | Patna Highway Projects Limited*                        |
|    |  | 25 | Rajahmundry Godavari Bridge Limited*                   |

##### Joint Ventures:

- 1 Blue Water Iron Ore Terminal Private Limited
- 2 Indira Container Terminal Private Limited (Upto 06/04/2017)
- 3 SEZ Adityapur Limited
- 4 GIPL – GIL JV
- 5 GIPL – GECPL JV

##### Key Management Personnel:

- 1 Mineel Madhukar Mali – Wholetime Director
- 2 Chayan Bhattachajee
- 3 Homai A Daruwalla
- 4 Mahendra Kumar Agarwala
- 5 Jaysingh Ashar
- 6 Sunil Chabaria
- 7 Vinod B Sahai

##### Associates:

- 1 Elgan India Martrade Private Limited ( Formerly Eversun Sparkle Maritime Services Private Limited )
- 2 ATSL Infrastructure Projects Limited
- 3 Modern Tollroads Limited
- 4 Vizag Seaport Private Limited (w.e.f. October 28, 2021)

\*Note

Corporate Insolvency Resolution Proceedings (CIRP) were initiated by financial creditors of the respective subsidiaries by filing a petition before the Hon'ble National Company Law Tribunal (NCLT). The NCLT admitted the petition and accordingly the Boards of the respective subsidiaries were superseded and the Interim Resolution Professional (IRP) were appointed. Accordingly, the Holding Company have lost control over these subsidiaries.

## Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2022

(All figures are in lacs unless otherwise stated)

### a) Details of related parties transactions for the period ended on March 31, 2022

Transactions	Entities Having Significant Influence	Holding Company	Subsidiaries	Associates / Joint Ventures & Partnerships	Key Management Personnel	Total
<b>Operations &amp; Maintenance Income &amp; Work Order for Repairs</b>	-	-	-	-	-	-
	-	-	(62.64)	-	-	(62.64)
- Rajahmundry Godavari Bridge Limited	-	-	-	-	-	-
(Previous Year)	-	-	(32.64)	-	-	(32.64)
- Indira Container Terminal Private Limited	-	-	-	-	-	-
(Previous Year)	-	-	(30.00)	-	-	(30.00)
<b>Rent Paid</b>	<b>1.20</b>	-	-	-	-	<b>1.20</b>
	(0.60)	-	(28.35)	-	-	(28.95)
- Gammon India Limited	1.20	-	-	-	-	1.20
(Previous Year)	(0.60)	-	-	-	-	(0.60)
- Pravara Renewable Energy Ltd	-	-	-	-	-	-
(Previous Year)	-	-	(28.35)	-	-	(28.35)
<b>Guarantee Commission income</b>	-	-	<b>604.39</b>	-	-	<b>604.39</b>
	-	-	(632.61)	-	-	(632.61)
- Patna Highway Projects Ltd	-	-	481.18	-	-	481.18
(Previous Year)	-	-	(507.97)	-	-	(507.97)
- Sidhi Singrauli Road Projects Ltd	-	-	123.21	-	-	123.21
(Previous Year)	-	-	(124.64)	-	-	(124.64)
<b>Interest Income</b>	-	-	<b>25.23</b>	-	-	<b>25.23</b>
	-	-	-	-	-	-
- Gammon Renewable Energy Infrastructure Limited	-	-	25.23	-	-	25.23
(Previous Year)	-	-	-	-	-	-
<b>Loss on Sales of investment</b>	-	-	<b>483.11</b>	-	-	<b>483.11</b>
	-	-	-	-	-	-
- Vizag Seaport Pvt Ltd	-	-	483.11	-	-	483.11
(Previous Year)	-	-	-	-	-	-
<b>Provision for Impairment of Investments</b>	-	-	<b>25,271.87</b>	-	-	<b>809.93</b>
	-	-	-	-	-	-
- Vizag Seaport Pvt Ltd	-	-	809.93	-	-	809.93
(Previous Year)	-	-	-	-	-	-
- Sidhi Singrauli Road Projects Ltd	-	-	23,922.03	-	-	-
(Previous Year)	-	-	-	-	-	-
- Sikkim Hydro Power Ventures Limited	-	-	539.91	-	-	-
(Previous Year)	-	-	-	-	-	-

## Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2022

(All figures are in lacs unless otherwise stated)

Transactions	Entities Having Significant Influence	Holding Company	Subsidiaries	Associates / Joint Ventures & Partnerships	Key Management Personnel	Total
<b>Provision for ICD/ Current Account/ Other Balances during the year</b>	-	-	<b>30,955.51</b>	<b>0.10</b>	-	<b>30,955.61</b>
	-	-	(1.24)	(0.10)	-	(1.34)
- Birmitrapur Barkote Highway Pvt Limited	-	-	-	-	-	-
(Previous Year)	-	-	(0.14)	-	-	(0.14)
- Chitoor Infra Co Pvt Ltd	-	-	-	-	-	-
(Previous Year)	-	-	-	-	-	-
- Earthlink Infrastructure Project Pvt Ltd	-	-	0.41	-	-	0.41
(Previous Year)	-	-	-	-	-	-
- Gammon Logistic Ltd	-	-	0.21	-	-	0.21
(Previous Year)	-	-	(0.15)	-	-	(0.15)
- Gammon Road Infrastructure Ltd	-	-	-	-	-	-
(Previous Year)	-	-	(0.13)	-	-	(0.13)
- Gammon Project Developers Ltd	-	-	0.18	-	-	0.18
(Previous Year)	-	-	(0.13)	-	-	(0.13)
- GIPL – GIL JV	-	-	-	0.10	-	0.10
(Previous Year)	-	-	-	(0.10)	-	(0.10)
- Haryana Biomass Projects Ltd	-	-	-	-	-	-
(Previous Year)	-	-	(0.13)	-	-	(0.13)
- Gammon Seaport Infrastructure Limited	-	-	0.73	-	-	0.73
(Previous Year)	-	-	-	-	-	-
- Rajahmundry Godavari Bridge Limited	-	-	-	-	-	-
(Previous Year)	-	-	-	-	-	-
- Patna Highway Projects Ltd	-	-	-	-	-	-
(Previous Year)	-	-	-	-	-	-
- Sidhi Singrauli Road Projects Ltd	-	-	30,892.45	-	-	30,892.45
(Previous Year)	-	-	-	-	-	-
- Sikkim Hydro Power Ventures Limited	-	-	60.09	-	-	60.09
(Previous Year)	-	-	-	-	-	-
- Segue Infrastructure Projects Pvt Ltd	-	-	0.16	-	-	0.16
(Previous Year)	-	-	(0.12)	-	-	(0.12)
- Tidong Hydro Power Ltd	-	-	1.11	-	-	1.11
(Previous Year)	-	-	(0.12)	-	-	(0.12)
- Tada Infra Development Company Limited	-	-	-	-	-	-
(Previous Year)	-	-	(0.12)	-	-	(0.12)
- Yamunanagar Panchkula Highway Pvt Ltd	-	-	0.17	-	-	0.17
(Previous Year)	-	-	(0.20)	-	-	(0.20)

## Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2022

(All figures are in lacs unless otherwise stated)

Transactions	Entities Having Significant Influence	Holding Company	Subsidiaries	Associates / Joint Ventures & Partnerships	Key Management Personnel	Total
<b>Reversal of Provision for ICD/ Current Account/ Investment / Other Balances during the year</b>	-	-	<b>1,082.87</b>	<b>0.48</b>	-	<b>1,083.35</b>
- Gammon Renewable Energy Infrastructure Limited	-	-	329.33	-	-	329.33
(Previous Year)	-	-	-	-	-	-
- Modern Toll Road Ltd	-	-	-	0.48	-	0.48
(Previous Year)	-	-	-	-	-	-
- Haryana Biomass Power Limited	-	-	0.38	-	-	0.38
(Previous Year)	-	-	-	-	-	-
- Tada Infra Development Company Limited	-	-	14.21	-	-	14.21
(Previous Year)	-	-	-	-	-	-
- Birmtrapur Barkote Highway Pvt Limited	-	-	605.63	-	-	605.63
(Previous Year)	-	-	-	-	-	-
- Gammon Road Infrastructure Ltd	-	-	133.31	-	-	133.31
(Previous Year)	-	-	-	-	-	-
<b>Write Back of ICD/ Current Account/Investment / Other Balances during the year</b>	-	-	<b>10.40</b>	-	-	<b>10.40</b>
- Marine Projects Services Ltd	-	-	10.40	-	-	10.40
(Previous Year)	-	-	-	-	-	-
<b>ICD/ Current Account/Investment/Other Balances - Written Off during the year</b>	-	-	<b>770.94</b>	<b>0.48</b>	-	<b>771.42</b>
- Modern Toll Road Ltd	-	-	-	0.48	-	0.48
(Previous Year)	-	-	-	-	-	-
- Birmtrapur Barkote Highway Pvt Limited	-	-	605.18	-	-	605.18
(Previous Year)	-	-	-	-	-	-
- Haryana Biomass Power Limited	-	-	0.55	-	-	0.55
(Previous Year)	-	-	-	-	-	-
- Cochin Bridge Infrastructure Company Limited	-	-	17.47	-	-	17.47
(Previous Year)	-	-	-	-	-	-
- Gammon Road Infrastructure Ltd	-	-	133.59	-	-	133.59
(Previous Year)	-	-	-	-	-	-
- Tada Infra Development Company Limited	-	-	14.16	-	-	14.16
(Previous Year)	-	-	-	-	-	-
<b>Managerial Remuneration</b>	-	-	-	-	-	-
- Mr. Chayan Bhattachajee	-	-	-	-	(22.86)	(22.86)
(Previous Year)	-	-	-	-	-	-

## Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2022

(All figures are in lacs unless otherwise stated)

Transactions	Entities Having Significant Influence	Holding Company	Subsidiaries	Associates / Joint Ventures & Partnerships	Key Management Personnel	Total
<b>Short term Employee Benefits</b>	-	-	-	-	-	-
(Previous Year)	-	-	-	-	(22.86)	(22.86)
<b>Director Sitting fees and Commission</b>	-	-	-	-	<b>40.50</b>	<b>40.50</b>
	-	-	-	-	(25.00)	(25.00)
- Homai A Daruwala	-	-	-	-	8.50	8.50
(Previous Year)	-	-	-	-	(7.00)	(7.00)
- Jaisingh Liladhar Ashar	-	-	-	-	6.00	6.00
(Previous Year)	-	-	-	-	(4.00)	(4.00)
Chayan Bhattachajee	-	-	-	-	4.50	4.50
(Previous Year)	-	-	-	-	-	-
Mahendra Kumar Agarwal	-	-	-	-	9.00	9.00
(Previous Year)	-	-	-	-	(7.00)	(7.00)
- Sunil Chhabaria	-	-	-	-	6.00	6.00
(Previous Year)	-	-	-	-	(3.00)	(3.00)
- Vinod B Sahai	-	-	-	-	6.50	6.50
(Previous Year)	-	-	-	-	(4.00)	(4.00)
<b>Inter corporate loans given to</b>	-	-	<b>1,129.00</b>	-	-	<b>1,129.00</b>
<b>( Transaction Value)</b>	-	-	-	-	-	-
- Gammon Renewable Energy Infrastructure Limited	-	-	1,129.00	-	-	1,129.00
(Previous Year)	-	-	-	-	-	-
<b>Refund of inter corporate loans given</b>	-	-	<b>427.00</b>	-	-	<b>427.00</b>
<b>(Transaction Value)</b>	-	-	<b>(24.10)</b>	<b>(100.00)</b>	-	<b>(124.10)</b>
- Gammon Renewable Energy Infrastructure Limited	-	-	427.00	-	-	427.00
(Previous Year)	-	-	-	-	-	-
- GIPL GECPL JV	-	-	-	-	-	-
(Previous Year)	-	-	-	(100.00)	-	(100.00)
- Vijaywada Gundugolanu Road Project Pvt Ltd	-	-	-	-	-	-
(Previous Year)	-	-	(24.10)	-	-	(24.10)
<b>Expenses incurred/payments made by the Company on behalf of</b>	-	-	<b>1,140.41</b>	<b>335.86</b>	-	<b>1,476.27</b>
	-	-	(1,082.98)	(92.85)	-	(1,175.83)
- Birmitrapur Barkote Highway Pvt Ltd	-	-	0.16	-	-	0.16
(Previous Year)	-	-	(0.14)	-	-	(0.14)
- Chitoor Infra Company Pvt Ltd	-	-	0.16	-	-	0.16
(Previous Year)	-	-	(0.13)	-	-	(0.13)
- Cochin Bridge Infrastructure Co Ltd	-	-	0.38	-	-	0.38
(Previous Year)	-	-	(0.44)	-	-	(0.44)

## Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2022

(All figures are in lacs unless otherwise stated)

Transactions	Entities Having Significant Influence	Holding Company	Subsidiaries	Associates / Joint Ventures & Partnerships	Key Management Personnel	Total
- Gammon Logistic Ltd	-	-	0.21	-	-	0.21
(Previous Year)	-	-	(0.15)	-	-	(0.15)
- Gammon Project Developers Ltd	-	-	0.17	-	-	0.17
(Previous Year)	-	-	(0.13)	-	-	(0.13)
- Gammon Renewable Energy Infrastructure Ltd	-	-	2.21	-	-	2.21
(Previous Year)	-	-	(0.14)	-	-	(0.14)
- GIPL - GIL JV	-	-	-	0.10	-	0.10
(Previous Year)	-	-	-	(0.10)	-	(0.10)
- GIPL - GECPJ JV	-	-	-	335.76	-	335.76
(Previous Year)	-	-	-	(92.75)	-	(92.75)
- Haryana Biomass Power Ltd	-	-	0.17	-	-	0.17
(Previous Year)	-	-	(0.13)	-	-	(0.13)
- Indira Container Terminal Pvt Ltd	-	-	723.22	-	-	723.22
(Previous Year)	-	-	(930.75)	-	-	(930.75)
- Marine Project Services Ltd	-	-	0.16	-	-	0.16
(Previous Year)	-	-	(0.13)	-	-	(0.13)
- Patna Highway Projects Ltd	-	-	10.08	-	-	10.08
(Previous Year)	-	-	(6.79)	-	-	(6.79)
- Pravara Renewable Energy Ltd	-	-	219.51	-	-	219.51
(Previous Year)	-	-	(73.44)	-	-	(73.44)
- Rajahmundry Godavari Bridge Ltd	-	-	126.49	-	-	126.49
(Previous Year)	-	-	(58.93)	-	-	(58.93)
- Ras Cities And Townships Pvt Ltd	-	-	0.15	-	-	0.15
(Previous Year)	-	-	(0.12)	-	-	(0.12)
- Segue Infrastructure Projects Pvt Ltd	-	-	0.16	-	-	0.16
(Previous Year)	-	-	(0.12)	-	-	(0.12)
- Sidhi Singrauli Road Projects Ltd	-	-	28.25	-	-	28.25
(Previous Year)	-	-	(6.77)	-	-	(6.77)
- Sikkim Hydro Power Ventures Ltd	-	-	17.92	-	-	17.92
(Previous Year)	-	-	(3.43)	-	-	(3.43)
- Tada Infra Development Company Limited	-	-	0.16	-	-	0.16
(Previous Year)	-	-	(0.12)	-	-	(0.12)
- Tidong Hydro Power Ltd	-	-	0.17	-	-	0.17
(Previous Year)	-	-	(0.12)	-	-	(0.12)
- Vijayawada Gundugolanu Road Project Pvt Ltd	-	-	0.36	-	-	0.36
(Previous Year)	-	-	(0.19)	-	-	(0.19)
- Yamunanagar Panchkula Highway Pvt Ltd	-	-	0.17	-	-	0.17
(Previous Year)	-	-	(0.20)	-	-	(0.20)



## Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2022

(All figures are in lacs unless otherwise stated)

Transactions	Entities Having Significant Influence	Holding Company	Subsidiaries	Associates / Joint Ventures & Partnerships	Key Management Personnel	Total
- Youngthang Power Ventures Ltd	-	-	9.68	-	-	9.68
(Previous Year)	-	-	(0.21)	-	-	(0.21)
- Earthlink Infrastructure Projects Pvt Ltd	-	-	0.14	-	-	0.14
(Previous Year)	-	-	(0.13)	-	-	(0.13)
- Gammon Road Infrastructure Ltd	-	-	0.17	-	-	0.17
(Previous Year)	-	-	(0.13)	-	-	(0.13)
- Gammon Seaport Infrastructure Ltd	-	-	0.16	-	-	0.16
(Previous Year)	-	-	(0.13)	-	-	(0.13)
<b>Amount liquidated towards the above finance</b>	<b>-</b>	<b>-</b>	<b>888.15</b>	<b>1,686.77</b>	<b>-</b>	<b>2,574.92</b>
			(1,104.14)	(161.63)	-	(1,265.77)
- Indira Container Terminal Pvt Ltd	-	-	751.59	-	-	751.59
(Previous Year)	-	-	(970.00)	-	-	(970.00)
- Patna Highway Projects Ltd	-	-	8.14	-	-	8.14
(Previous Year)	-	-	(17.55)	-	-	(17.55)
- Pravara Renewable Energy Ltd	-	-	0.20	-	-	0.20
(Previous Year)	-	-	(49.30)	-	-	(49.30)
- Rajahmundry Godavari Bridge Ltd	-	-	126.70	-	-	126.70
(Previous Year)	-	-	(67.18)	-	-	(67.18)
- Vijayawada Gundugolanu Road Project Pvt Ltd	-	-	1.52	-	-	1.52
(Previous Year)	-	-	-	-	-	-
- Youngthang Power Ventures Ltd	-	-	-	-	-	-
(Previous Year)	-	-	(0.11)	-	-	(0.11)
- GIPL - GECL JV	-	-	-	1,686.77	-	1,686.77
(Previous Year)	-	-	-	(161.63)	-	(161.63)
<b>Refund of inter corporate deposit taken earlier</b>	<b>-</b>	<b>-</b>	<b>1,700.00</b>	<b>-</b>	<b>-</b>	<b>1,700.00</b>
			-	-	-	-
- Vizag Seaport Pvt Ltd	-	-	1,700.00	-	-	1,700.00
(Previous Year)	-	-	-	-	-	-
<b>Interest expenses / paid during the year</b>	<b>-</b>	<b>-</b>	<b>6.00</b>	<b>-</b>	<b>-</b>	<b>6.00</b>
			(981.94)	-	-	(981.94)
- Indira Container Terminal Pvt Ltd	-	-	6.00	-	-	6.00
(Previous Year)	-	-	(6.00)	-	-	(6.00)
- Vizag Seaport Pvt Ltd	-	-	-	-	-	-
(Previous Year)	-	-	(975.94)	-	-	(975.94)
<b>Interest written back</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
			(3,862.86)	-	-	(3,862.86)
- Vizag Seaport Pvt Ltd	-	-	-	-	-	-
(Previous Year)	-	-	(3,862.86)	-	-	(3,862.86)

## Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2022

(All figures are in lacs unless otherwise stated)

Transactions	Entities Having Significant Influence	Holding Company	Subsidiaries	Associates / Joint Ventures & Partnerships	Key Management Personnel	Total
<b>Corporate Guarantee Outstanding</b>	-	-	<b>190,280.55</b>	-	-	<b>190,280.55</b>
	-	-	(227,513.55)	-	-	(227,513.55)
- Patna Highway Projects Ltd	-	-	108,600.00	-	-	108,600.00
(Previous Year)	-	-	(108,600.00)	-	-	(108,600.00)
- Sidhi Singrauli Road Projects Ltd	-	-	27,513.55	-	-	27,513.55
(Previous Year)	-	-	(27,513.55)	-	-	(27,513.55)
- Pravara Renewable Energy Ltd	-	-	19,167.00	-	-	19,167.00
(Previous Year)	-	-	(19,167.00)	-	-	(19,167.00)
- Vizag Seaport Pvt Ltd	-	-	35,000.00	-	-	35,000.00
(Previous Year)	-	-	(35,000.00)	-	-	(35,000.00)
- Sikkim Hydro Power Ventures Ltd	-	-	-	-	-	-
(Previous Year)	-	-	(37,233.00)	-	-	(37,233.00)
<b>Outstanding balances receivable</b>	-	-	<b>465.27</b>	-	-	<b>465.27</b>
<b>( Trade Receivable)</b>	-	-	<b>(8,410.94)</b>	-	-	<b>(8,410.94)</b>
- Birmitrapur Barkote Highway Pvt Ltd	-	-	-	-	-	-
(Previous Year)	-	-	(487.67)	-	-	(487.67)
- Sidhi Singrauli Road Projects Ltd	-	-	465.27	-	-	465.27
(Previous Year)	-	-	(7,923.27)	-	-	(7,923.27)
<b>Outstanding balances receivable :</b>	-	-	<b>34,540.28</b>	-	-	<b>34,540.28</b>
<b>Inter Corporate Deposits</b>	-	-	<b>(34,575.93)</b>	-	-	<b>(34,575.93)</b>
- Birmitrapur Barkote Highway Pvt Ltd	-	-	-	-	-	-
(Previous Year)	-	-	(605.18)	-	-	(605.18)
- Cochin Bridge Infrastructure Co Ltd	-	-	904.79	-	-	904.79
(Previous Year)	-	-	(904.79)	-	-	(904.79)
- Chittoor Infra Company Private Limited	-	-	9.11	-	-	9.11
(Previous Year)	-	-	(9.11)	-	-	(9.11)
- Earthlink infrastructure Projects Pvt limited	-	-	1.82	-	-	1.82
(Previous Year)	-	-	(1.82)	-	-	(1.82)
- Gammon Logistic Ltd	-	-	159.61	-	-	159.61
(Previous Year)	-	-	(159.61)	-	-	(159.61)
- Gammon Project Developers Ltd	-	-	78.79	-	-	78.79
(Previous Year)	-	-	(78.79)	-	-	(78.79)
- Gammon Renewable Energy Infrastructure Ltd	-	-	1,031.33	-	-	1,031.33
(Previous Year)	-	-	(329.33)	-	-	(329.33)
- Gammon Road Infrastructure Ltd	-	-	-	-	-	-
(Previous Year)	-	-	(132.19)	-	-	(132.19)
- Haryana Biomass Power Ltd	-	-	-	-	-	-
(Previous Year)	-	-	(0.07)	-	-	(0.07)

## Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2022

(All figures are in lacs unless otherwise stated)

Transactions	Entities Having Significant Influence	Holding Company	Subsidiaries	Associates / Joint Ventures & Partnerships	Key Management Personnel	Total
- Gammon Seaport Infrastructure Limited	-	-	74.10	-	-	74.10
(Previous Year)	-	-	(74.10)	-	-	(74.10)
- Indira Container Terminal Pvt Ltd	-	-	3,722.47	-	-	3,722.47
(Previous Year)	-	-	(3,722.47)	-	-	(3,722.47)
- Patna Highway Projects Ltd	-	-	10,460.50	-	-	10,460.50
(Previous Year)	-	-	(10,460.50)	-	-	(10,460.50)
- Pravara Renewable Energy Ltd	-	-	2,444.48	-	-	2,444.48
(Previous Year)	-	-	(2,444.48)	-	-	(2,444.48)
- Rajahmundry Godavari Bridge Ltd	-	-	2,212.75	-	-	2,212.75
(Previous Year)	-	-	(2,212.75)	-	-	(2,212.75)
- Segue Infrastructure Projects Ltd	-	-	2.50	-	-	2.50
(Previous Year)	-	-	(2.50)	-	-	(2.50)
- Sikkim Hydro Power Ventures Ltd	-	-	3,103.41	-	-	3,103.41
(Previous Year)	-	-	(3,103.41)	-	-	(3,103.41)
- Sidhi Singrauli Road Projects Ltd	-	-	3,527.16	-	-	3,527.16
(Previous Year)	-	-	(3,527.16)	-	-	(3,527.16)
- Tada Infra Development Company Limited	-	-	-	-	-	-
(Previous Year)	-	-	(0.22)	-	-	(0.22)
- Tidong Hydro Power Ltd	-	-	157.23	-	-	157.23
(Previous Year)	-	-	(157.23)	-	-	(157.23)
- Youngthang Power Ventures Ltd	-	-	5,734.70	-	-	5,734.70
(Previous Year)	-	-	(5,734.70)	-	-	(5,734.70)
- Yamunanagar Panchkula Highway Pvt Ltd	-	-	915.53	-	-	915.53
(Previous Year)	-	-	(915.53)	-	-	(915.53)
<b>Provision for Inter Corporate Deposits/ICD - Balance</b>	<b>-</b>	<b>-</b>	<b>5,456.65</b>	<b>-</b>	<b>-</b>	<b>5,456.65</b>
	-	-	(2,456.57)	-	-	(2,456.57)
- Birmitrapur Barkote Highway Pvt Ltd	-	-	-	-	-	-
(Previous Year)	-	-	(605.18)	-	-	(605.18)
- Earthlink infrastructure Projects Pvt limited	-	-	1.82	-	-	1.82
(Previous Year)	-	-	(1.82)	-	-	(1.82)
- Gammon Logistic Ltd	-	-	159.61	-	-	159.61
(Previous Year)	-	-	(159.61)	-	-	(159.61)
- Gammon Project Developers Ltd	-	-	78.79	-	-	78.79
(Previous Year)	-	-	(78.79)	-	-	(78.79)
- Gammon Renewable Energy Infrastructure Ltd	-	-	-	-	-	-
(Previous Year)	-	-	(329.33)	-	-	(329.33)
- Gammon Road Infrastructure Ltd	-	-	-	-	-	-

## Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2022

(All figures are in lacs unless otherwise stated)

Transactions	Entities Having Significant Influence	Holding Company	Subsidiaries	Associates / Joint Ventures & Partnerships	Key Management Personnel	Total
(Previous Year)	-	-	(132.19)	-	-	(132.19)
- Haryana Biomass Power Ltd	-	-	-	-	-	-
(Previous Year)	-	-	(0.07)	-	-	(0.07)
- Gammon Seaport Infrastructure Limited	-	-	74.10	-	-	74.10
(Previous Year)	-	-	(74.10)	-	-	(74.10)
- Segue Infrastructure Projects Ltd	-	-	2.50	-	-	2.50
(Previous Year)	-	-	(2.50)	-	-	(2.50)
- Sikkim Hydro Power Ventures Ltd	-	-	539.91	-	-	539.91
(Previous Year)	-	-	-	-	-	-
- Sidhi Singrauli Road Projects Ltd	-	-	3,527.16	-	-	3,527.16
(Previous Year)	-	-	-	-	-	-
- Tada Infra Development Company Limited	-	-	-	-	-	-
(Previous Year)	-	-	(0.22)	-	-	(0.22)
- Tidong Hydro Power Ltd	-	-	157.23	-	-	157.23
(Previous Year)	-	-	(157.23)	-	-	(157.23)
- Youngthang Power Ventures Ltd	-	-	915.53	-	-	915.53
(Previous Year)	-	-	(915.53)	-	-	(915.53)
<b>Outstanding balances receivable : ( Deposits - Controlling Interest )</b>	<b>-</b>	<b>-</b>	<b>2,714.90</b>	<b>-</b>	<b>-</b>	<b>2,714.90</b>
	-	-	(2,714.90)	-	-	(2,714.90)
- Chitoor Infra Company Private Limited	-	-	1.00	-	-	1.00
(Previous Year)	-	-	(1.00)	-	-	(1.00)
- Earthlink infrastructure Projects Pvt limited	-	-	1.00	-	-	1.00
(Previous Year)	-	-	(1.00)	-	-	(1.00)
- Indira Container Terminal Pvt Ltd	-	-	2,640.72	-	-	2,640.72
(Previous Year)	-	-	(2,640.72)	-	-	(2,640.72)
- Segue Infrastructure Projects Pvt Ltd	-	-	1.00	-	-	1.00
(Previous Year)	-	-	(1.00)	-	-	(1.00)
- Tidong Hydro Power Ltd	-	-	71.18	-	-	71.18
(Previous Year)	-	-	(71.18)	-	-	(71.18)
<b>Provision for Deposits - Controlling Interest - Balance</b>	<b>-</b>	<b>-</b>	<b>347.09</b>	<b>-</b>	<b>-</b>	<b>347.09</b>
	-	-	(347.09)	-	-	(347.09)
- Chitoor Infra Company Private Limited	-	-	1.00	-	-	1.00
(Previous Year)	-	-	(1.00)	-	-	(1.00)
- Earthlink infrastructure Projects Pvt limited	-	-	342.54	-	-	342.54
(Previous Year)	-	-	(342.54)	-	-	(342.54)
- Segue Infrastructure Projects Pvt Ltd	-	-	1.00	-	-	1.00
(Previous Year)	-	-	(1.00)	-	-	(1.00)

## Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2022

(All figures are in lacs unless otherwise stated)

Transactions	Entities Having Significant Influence	Holding Company	Subsidiaries	Associates / Joint Ventures & Partnerships	Key Management Personnel	Total
- Tidong Hydro Power Ltd	-	-	2.55	-	-	2.55
(Previous Year)	-	-	(2.55)	-	-	(2.55)
<b>Outstanding balances : Investments in Subsidiaries / Associates / Joint Ventures</b>	<b>-</b>	<b>-</b>	<b>89,212.80</b>	<b>4,384.07</b>	<b>-</b>	<b>93,596.87</b>
	-	-	(88,287.09)	(526.36)	-	(88,813.45)
- Birmitrapur Barkote Highway Pvt Limited	-	-	1.00	-	-	1.00
(Previous Year)	-	-	(1.00)	-	-	(1.00)
- Cochin Bridge Infrastructure Company Ltd	-	-	671.73	-	-	671.73
(Previous Year)	-	-	(671.73)	-	-	(671.73)
- Gammon Logistics Ltd	-	-	255.00	-	-	255.00
(Previous Year)	-	-	(255.00)	-	-	(255.00)
- Gammon Project Developers Ltd	-	-	366.54	-	-	366.54
(Previous Year)	-	-	(366.54)	-	-	(366.54)
- Gammon Renewable Energy Infrastructure Ltd	-	-	199.74	-	-	199.74
(Previous Year)	-	-	(199.74)	-	-	(199.74)
- Gammon Road Infrastructure Ltd	-	-	92.67	-	-	92.67
(Previous Year)	-	-	(92.67)	-	-	(92.67)
- Gammon Seaport Infrastructure Ltd	-	-	5.00	-	-	5.00
(Previous Year)	-	-	(5.00)	-	-	(5.00)
- Haryana Biomass Power Ltd	-	-	269.35	-	-	269.35
(Previous Year)	-	-	(269.35)	-	-	(269.35)
- Indira Container Terminal Pvt Ltd	-	-	3,937.58	-	-	3,937.58
(Previous Year)	-	-	(3,937.58)	-	-	(3,937.58)
- Marine Projects Services Ltd	-	-	5.00	-	-	5.00
(Previous Year)	-	-	(5.00)	-	-	(5.00)
- Patna Highways Project Limited	-	-	11,387.62	-	-	11,387.62
(Previous Year)	-	-	(11,387.62)	-	-	(11,387.62)
- Pravara Renewable Energy Ltd	-	-	6,708.35	-	-	6,708.35
(Previous Year)	-	-	(6,708.35)	-	-	(6,708.35)
- Rajahmundry Godavari Bridge Ltd	-	-	27,628.75	-	-	27,628.75
(Previous Year)	-	-	(19,722.24)	-	-	(19,722.24)
- Sidhi Singrauli Road Projects Ltd	-	-	20,394.87	-	-	20,394.87
(Previous Year)	-	-	(20,394.87)	-	-	(20,394.87)
- Sikkim Hydro Power Ventures Ltd	-	-	6,273.59	-	-	6,273.59
(Previous Year)	-	-	(6,273.59)	-	-	(6,273.59)
- Tada Infra Development Co Ltd	-	-	5.00	-	-	5.00
(Previous Year)	-	-	(5.00)	-	-	(5.00)
- Vijayawada Gundugulanu Road Project Pvt Ltd	-	-	7,661.00	-	-	7,661.00

## Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2022

(All figures are in lacs unless otherwise stated)

Transactions	Entities Having Significant Influence	Holding Company	Subsidiaries	Associates / Joint Ventures & Partnerships	Key Management Personnel	Total
(Previous Year)	-	-	(7,661.00)	-	-	(7,661.00)
- Vizag Seaport Pvt Ltd	-	-	-	3,857.69	-	3,857.69
(Previous Year)	-	-	(6,980.80)	-	-	(6,980.80)
- Yamunanagar Panchkula Highway Pvt Ltd	-	-	1,905.00	-	-	1,905.00
(Previous Year)	-	-	(1,905.00)	-	-	(1,905.00)
- Youngthang Power Ventures Ltd	-	-	1,445.00	-	-	1,445.00
(Previous Year)	-	-	(1,445.00)	-	-	(1,445.00)
- Modern Toll Roads Limited	-	-	-	2.45	-	2.45
(Previous Year)	-	-	-	(2.45)	-	(2.45)
- Elgan India Martrade Private Limited	-	-	-	214.40	-	214.40
(Previous Year)	-	-	-	(214.40)	-	(214.40)
- ATSL Infrastructure Projects Limited	-	-	-	2.45	-	2.45
(Previous Year)	-	-	-	(2.45)	-	(2.45)
- Blue Water Iron Ore Terminal Private Limited	-	-	-	305.18	-	305.18
(Previous Year)	-	-	-	(305.18)	-	(305.18)
- SEZ Adityapur Limited	-	-	-	1.90	-	1.90
(Previous Year)	-	-	-	(1.90)	-	(1.90)
<b>Provision for Investments - Balance</b>	<b>-</b>	<b>-</b>	<b>30,668.05</b>	<b>1,336.30</b>	<b>-</b>	<b>32,004.35</b>
	-	-	(10,273.17)	(526.37)	-	(10,799.54)
- Birmitrapur Barkote Highway Pvt Limited	-	-	1.00	-	-	1.00
(Previous Year)	-	-	(1.00)	-	-	(1.00)
- Gammon Logistics Ltd	-	-	255.00	-	-	255.00
(Previous Year)	-	-	(255.00)	-	-	(255.00)
- Gammon Project Developers Ltd	-	-	366.54	-	-	366.54
(Previous Year)	-	-	(366.54)	-	-	(366.54)
- Gammon Road Infrastructure Ltd	-	-	92.67	-	-	92.67
(Previous Year)	-	-	(92.67)	-	-	(92.67)
- Haryana Biomass Power Ltd	-	-	269.35	-	-	269.35
(Previous Year)	-	-	(269.35)	-	-	(269.35)
- Sidhi Singrauli Road Projects Ltd	-	-	20,394.87	-	-	20,394.87
(Previous Year)	-	-	-	-	-	-
- Tada Infra Development Co Ltd	-	-	5.00	-	-	5.00
(Previous Year)	-	-	(5.00)	-	-	(5.00)
- Vijayawada Gundugulanu Road Project Pvt Ltd	-	-	7,378.61	-	-	7,378.61
(Previous Year)	-	-	(7,378.61)	-	-	(7,378.61)
- Vizag Seaport Pvt Ltd	-	-	-	809.93	-	809.93
(Previous Year)	-	-	-	-	-	-
- Yamunanagar Panchkula Highway Pvt Ltd	-	-	1,905.00	-	-	1,905.00

## Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2022

(All figures are in lacs unless otherwise stated)

Transactions	Entities Having Significant Influence	Holding Company	Subsidiaries	Associates / Joint Ventures & Partnerships	Key Management Personnel	Total
(Previous Year)	-	-	(1,905.00)	-	-	(1,905.00)
- Modern Toll Roads Limited	-	-	-	2.45	-	2.45
(Previous Year)	-	-	-	(2.45)	-	(2.45)
- Elgan India Martrade Private Limited	-	-	-	214.40	-	214.40
(Previous Year)	-	-	-	(214.40)	-	(214.40)
- ATSL Infrastructure Projects Limited	-	-	-	2.45	-	2.45
(Previous Year)	-	-	-	(2.45)	-	(2.45)
- Blue Water Iron Ore Terminal Private Limited	-	-	-	305.18	-	305.18
(Previous Year)	-	-	-	(305.18)	-	(305.18)
- SEZ Adityapur Limited	-	-	-	1.90	-	1.90
(Previous Year)	-	-	-	(1.90)	-	(1.90)
<b>Outstanding balances receivable : (Advance recoverable in cash or kind)</b>	<b>47.38</b>	<b>-</b>	<b>111,793.61</b>	<b>201.89</b>	<b>-</b>	<b>112,042.88</b>
	(48.68)	-	(111,539.80)	(1,553.29)	-	(113,141.78)
- Birmitrapur Barkote Highway Pvt Limited	-	-	0.61	-	-	0.61
(Previous Year)	-	-	(0.46)	-	-	(0.46)
- Cochin Bridge Infrastructure Company Ltd	-	-	798.70	-	-	798.70
(Previous Year)	-	-	(798.32)	-	-	(798.32)
- Gammon Logistics Ltd	-	-	28.71	-	-	28.71
(Previous Year)	-	-	(28.50)	-	-	(28.50)
- Gammon Project Developers Ltd	-	-	2.13	-	-	2.13
(Previous Year)	-	-	(1.95)	-	-	(1.95)
- Gammon Renewable Energy Infrastructure Ltd	-	-	78.25	-	-	78.25
(Previous Year)	-	-	(76.04)	-	-	(76.04)
- Gammon Road Infrastructure Ltd	-	-	-	-	-	-
(Previous Year)	-	-	(1.23)	-	-	(1.23)
- Gammon Seaport Infrastructure Ltd	-	-	0.73	-	-	0.73
(Previous Year)	-	-	(0.57)	-	-	(0.57)
- GIPL - GIL JV	-	-	-	25.27	-	25.27
(Previous Year)	-	-	-	(25.17)	-	(25.17)
- Gammon India Limited	47.38	-	-	-	-	47.38
(Previous Year)	(48.68)	-	-	-	-	(48.68)
- GIPL - GECPL JV	-	-	-	176.63	-	176.63
(Previous Year)	-	-	-	(1,527.64)	-	(1,527.64)
- Haryana Biomass Power Ltd	-	-	-	-	-	-
(Previous Year)	-	-	(0.31)	-	-	(0.31)
- Modern TollRoads Ltd	-	-	-	-	-	-
(Previous Year)	-	-	-	(0.48)	-	(0.48)



## Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2022

(All figures are in lacs unless otherwise stated)

Transactions	Entities Having Significant Influence	Holding Company	Subsidiaries	Associates / Joint Ventures & Partnerships	Key Management Personnel	Total
- Pravara Renewable Energy Ltd	-	-	1,357.76	-	-	1,357.76
(Previous Year)	-	-	(1,138.45)	-	-	(1,138.45)
- Rajahmundry Godavari Bridge Ltd	-	-	78,349.18	-	-	78,349.18
(Previous Year)	-	-	(78,349.39)	-	-	(78,349.39)
- Ras Cities And Townships Pvt Ltd	-	-	6.41	-	-	6.41
(Previous Year)	-	-	(6.26)	-	-	(6.26)
- Segue Infrastructure Projects Pvt Ltd	-	-	1.44	-	-	1.44
(Previous Year)	-	-	(1.28)	-	-	(1.28)
- Sidhi Singrauli Road Projects Ltd	-	-	31,105.67	-	-	31,105.67
(Previous Year)	-	-	(31,077.43)	-	-	(31,077.43)
- Sikkim Hydro Power Ventures Ltd	-	-	60.09	-	-	60.09
(Previous Year)	-	-	(42.18)	-	-	(42.18)
- Tada Infra Development Co Ltd	-	-	-	-	-	-
(Previous Year)	-	-	(13.99)	-	-	(13.99)
- Tidong Hydro Power Ltd	-	-	2.39	-	-	2.39
(Previous Year)	-	-	(2.22)	-	-	(2.22)
- Earthlink infrastructure Projects Pvt limited	-	-	0.41	-	-	0.41
(Previous Year)	-	-	(0.27)	-	-	(0.27)
- Yamunanagar Panchkula Highway Pvt Ltd	-	-	1.13	-	-	1.13
(Previous Year)	-	-	(0.96)	-	-	(0.96)
<b>Providing for Outstanding Balance Receivable</b>	<b>-</b>	<b>-</b>	<b>30,929.40</b>	<b>25.27</b>	<b>-</b>	<b>30,954.66</b>
<b>-Advance recoverable in cash or kind</b>						
	-	-	(49.87)	(25.65)	-	(75.52)
- Birmirapur Barkote Highway Pvt Limited	-	-	-	-	-	-
(Previous Year)	-	-	(0.46)	-	-	(0.46)
- Gammon Logistics Ltd	-	-	28.71	-	-	28.71
(Previous Year)	-	-	(28.50)	-	-	(28.50)
- Gammon Project Developers Ltd	-	-	2.13	-	-	2.13
(Previous Year)	-	-	(1.95)	-	-	(1.95)
- Gammon Road Infrastructure Ltd	-	-	-	-	-	-
(Previous Year)	-	-	(1.12)	-	-	(1.12)
- Gammon Seaport Infrastructure Ltd	-	-	0.73	-	-	0.73
(Previous Year)	-	-	-	-	-	-
- GIPL - GIL JV	-	-	-	25.27	-	25.27
(Previous Year)	-	-	-	(25.17)	-	(25.17)
- Haryana Biomass Power Ltd	-	-	-	-	-	-
(Previous Year)	-	-	(0.31)	-	-	(0.31)
- Modern TollRoads Ltd	-	-	-	-	-	-

## Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2022

(All figures are in lacs unless otherwise stated)

Transactions	Entities Having Significant Influence	Holding Company	Subsidiaries	Associates / Joint Ventures & Partnerships	Key Management Personnel	Total
(Previous Year)	-	-	-	(0.48)	-	(0.48)
- Segue Infrastructure Projects Pvt Ltd	-	-	1.44	-	-	1.44
(Previous Year)	-	-	(1.28)	-	-	(1.28)
- Sidhi Singrauli Road Projects Ltd	-	-	30,892.45	-	-	30,892.45
(Previous Year)	-	-	-	-	-	-
- Tada Infra Development Co Ltd	-	-	-	-	-	-
(Previous Year)	-	-	(13.99)	-	-	(13.99)
- Tidong Hydro Power Ltd	-	-	2.39	-	-	2.39
(Previous Year)	-	-	(1.28)	-	-	(1.28)
- Earthlink infrastructure Projects Pvt limited	-	-	0.41	-	-	0.41
(Previous Year)	-	-	-	-	-	-
- Yamunanagar Panchkula Highway Pvt Ltd	-	-	1.13	-	-	1.13
(Previous Year)	-	-	(0.96)	-	-	(0.96)
<b>Outstanding balances receivable : ( Share Application Money Paid)</b>	-	-	-	129.95	-	129.95
	-	-	-	(129.95)	-	(129.95)
- Modern Toll Roads Limited	-	-	-	129.95	-	129.95
(Previous Year)	-	-	-	(129.95)	-	(129.95)
<b>Outstanding balances receivable : (Interest Accrued receivable)</b>	-	-	<b>22.70</b>	-	-	<b>22.70</b>
	-	-	(17.47)	-	-	(17.47)
- Cochin Bridge Infrastructure Company Limited	-	-	-	-	-	-
(Previous Year)	-	-	(17.47)	-	-	(17.47)
- Gammon Renewable Energy Infrastructure Ltd	-	-	22.70	-	-	22.70
(Previous Year)	-	-	-	-	-	-
<b>Outstanding Balances Payable-Others</b>	-	-	<b>13,902.47</b>	<b>265.20</b>	-	<b>14,167.67</b>
	-	-	(24,312.57)	(265.20)	-	(24,577.77)
- Patna Highway Projects Ltd	-	-	553.93	-	-	553.93
(Previous Year)	-	-	(555.87)	-	-	(555.87)
- Marine Projects Services Ltd	-	-	-	-	-	-
(Previous Year)	-	-	(10.57)	-	-	(10.57)
- Modern Toll Road Ltd	-	-	-	265.20	-	265.20
(Previous Year)	-	-	-	(265.20)	-	(265.20)
- Chitoor Infra Company Private Limited	-	-	98.13	-	-	98.13
(Previous Year)	-	-	(98.29)	-	-	(98.29)
- Sidhi Singrauli Road Projects Ltd	-	-	12,416.38	-	-	12,416.38
(Previous Year)	-	-	(22,833.66)	-	-	(22,833.66)
- Vijayawada Gundugulanu Road Project Pvt Ltd	-	-	283.55	-	-	283.55
(Previous Year)	-	-	(282.39)	-	-	(282.39)

## Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2022

(All figures are in lacs unless otherwise stated)

Transactions	Entities Having Significant Influence	Holding Company	Subsidiaries	Associates / Joint Ventures & Partnerships	Key Management Personnel	Total
- Youngthang Power Ventures Ltd	-	-	54.18	-	-	54.18
(Previous Year)	-	-	(63.86)	-	-	(63.86)
- Indira Container Terminal Private Limited	-	-	496.31	-	-	496.31
(Previous Year)	-	-	(467.94)	-	-	(467.94)
<b>Outstanding Balances Payable :</b>	<b>-</b>	<b>-</b>	<b>927.76</b>	<b>-</b>	<b>-</b>	<b>927.76</b>
Mobilisation Advance	-	-	(927.76)	-	-	(927.76)
- Sidhi Singrauli Road Projects Ltd	-	-	927.76	-	-	927.76
(Previous Year)	-	-	(927.76)	-	-	(927.76)
<b>Outstanding Balances Payable :</b>	<b>-</b>	<b>-</b>	<b>1,495.05</b>	<b>9,277.41</b>	<b>-</b>	<b>10,772.46</b>
Inter-corporate Deposits from:	-	-	(12,472.46)	-	-	(12,472.46)
- Vizag Seaport Pvt Ltd	-	-	-	9,277.41	-	9,277.41
(Previous Year)	-	-	(10,977.41)	-	-	(10,977.41)
- Ras Cities And Townships Pvt Ltd	-	-	1,495.05	-	-	1,495.05
(Previous Year)	-	-	(1,495.05)	-	-	(1,495.05)

Transactions pertaining to contract revenue and contract expenses with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

## Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2022

### Annexure 2- Analytical Ratios 2021-22

Sr. No.	Ratio	Numerator/ Denominator	Ratio (2021-22)	Ratio (2020-21)	% of Variation	Reason for variance
1	Current ratio	Current Asset Current Liabilities	<b>0.07</b>	0.09	(20.79)	
2	Debt-Equity ratio	Total Debts	<b>0.36</b>	0.17	115.69	Despite reduction in total debt of the company by Rs 36.80 Cr , impairment of Company's investment in some SPV's along with the impact of other exceptional items has resulted in erosion of shareholders equity due to which variation in Debt-Equity ratio is seen.
3	Debt Service Coverage ratio	Shareholders Equity Earnings available for debt service	<b>(0.16)</b>	(15.17)	(98.93)	Impairment of Company's investment in some SPV's along with the impact of other exceptional items has resulted in reduction of earning available for debt service due to which variation in Debt-Service ratio is seen.
4	Return on Equity ratio ( ROE)	Debt Service Net Profits after taxes - Preference Dividend	<b>-96.71%</b>	0.73%	(13,273.52)	Impairment of Company's investment in some SPV's along with the impact of other exceptional items has resulted in reduction of Net profit after taxes as well as Average shareholders equity due to which variation in captioned ratio is seen.
5	Inventory Turnover Ratio	Average Shareholder's Equity Cost of goods sold OR sales	<b>NA</b>	NA	NA	
6	Trade Receivables turnover ratio	Average Inventory Net Credit Sales	<b>-</b>	0.01	(100.00)	There is no Revenue from Operations in the current year and hence previous years ratio is not arithmatically comparable .
		Average Accounts Receivable				

## Notes to the Financial Statements

For the year ended 31<sup>st</sup> March, 2022

(All figures are in lacs unless otherwise stated)

Sr. No.	Ratio	Numerator/ Denominator	Ratio (2021-22)	Ratio (2020-21)	% of Variation	Reason for variance
7	Trade payables turnover ratio	Net Credit Purchases	<b>0.19</b>	0.18	8.65	
		Average Trade Payables				
8	Net capital turnover ratio	Net Sales	-	(0.00)	(100.00)	There is no Revenue from Operations in the current year and hence previous years ratio is not arithmetically comparable .
		Average working capital				
9	Net profit ratio	Net Profit after Tax	<b>0.00%</b>	997.30%	(100.00)	There is no Revenue from Operations in the current year and hence previous years ratio is not arithmetically comparable .
		Net Sales				
10	Return on Capital employed (ROCE)	Earning before interest and taxes	<b>-136.24%</b>	3.74%	(3,738.43)	Impairment of Company's investment in some SPV's along with the impact of other exceptional items has resulted in reduction of Earnings before interest and Taxes as well as Capital employed due to which variation in captioned ratio is seen.
		Capital Employed				
11	Return on Investment (ROI)	Income generated from Investments	<b>3.53%</b>	5.35%	(33.93)	Due to decrease in the return on Mutual Funds / Bank interest rates , there is a decrease in the return on Investment ( ROI ) (Computed only for treasury investment in mutual fund. Rest of the investments in subsidiaries and associates are strategic and non treasury)
		Time weighted average investments				



## **AJR INFRA AND TOLLING LIMITED**

(Formerly Gammon Infrastructure Projects Limited)

### **Registered office:**

3rd Floor, 3/8, Hamilton House,  
J. N. Heredia Marg, Ballard Estate,  
Mumbai – 400038

CIN: L45203MH2001PLC131728;

Website: [www.ajrinfra.in](http://www.ajrinfra.in)

Telephone: +91 22 6748 7200;

Fax: +91 22 6748 7201



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## NOTICE

Notice is hereby given that the 21st Annual General Meeting of **AJR INFRA AND TOLLING LIMITED** (formerly Gammon Infrastructure Projects Limited) will be held on Thursday, 29th December, 2022 at 3.30 p.m. IST through Video Conferencing ("**VC**") / Other Audio Visual Means ("**OAVM**") to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the audited financial statements (including the consolidated financial statements) of the Company for the financial year ended 31st March, 2022 together with the Reports of the Board of Directors and the Auditors thereon.
2. To appoint a director in place of Mr. Mineel Mali (DIN – 06641595), who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Statutory Auditors and to fix their remuneration and, in this regard, to consider and, if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

**"Resolved that,** pursuant to Section 139(1) and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modifications or re-enactment thereof for the time being in force), M/s. Natvarlal Vepari & Co., Chartered Accountants, Mumbai (Firm Registration No. 106971W) be and are hereby re-appointed as Statutory Auditors of the Company to hold office, from the conclusion of this Twenty First Annual General Meeting until the conclusion of the Twenty Sixth Annual General Meeting, on such remuneration and reimbursement of out of pocket expenses, as shall be decided / approved by the Board of Directors."

### SPECIAL BUSINESS:

4. To consider and if thought fit, to pass, with or without modifications, the following resolution as an Ordinary Resolution:

**"Resolved that,** pursuant to the provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013 (the "**Act**") and the Rules made thereunder and as per the recommendation of Nomination & Remuneration Committee which was approved by the Board, Mr. Subhrarabinda Birabar (DIN – 03249632), who was appointed by the Board of Directors of the Company as an Additional Director in the category of Non-Executive Non-Independent by Board of Directors of the Company with effect from 26th November, 2022 pursuant to Section 161 of the Act and the Articles of Association of the Company and who holds office as such up to the date of this Annual General Meeting, be and is hereby appointed as a Non-Executive Non-Independent Director of the Company, liable to retire by rotation;

**Resolved further that,** the Board of Directors, and the Company Secretary be and are hereby severally authorised to do all such acts, deeds, matters or things as may be considered necessary, appropriate, expedient or desirable to give effect to above resolution."

By order of the Board,  
For, **AJR INFRA AND TOLLING LIMITED**  
(formerly Gammon Infrastructure Projects Limited)

**Kaushal Shah**  
Company Secretary & Compliance Officer

Place: Mumbai  
Date: 26th November, 2022

Registered office:  
3rd Floor, 3/8, Hamilton House, J. N. Heredia Marg,  
Ballard Estate, Mumbai – 400038

### NOTES

1. In view of circulars issued by the Ministry of Corporate Affairs ("**MCA**") vide General Circular nos. 14/2020, 17/2020, 39/2020, 20/2021 and 3/2022 dated April 8, 2020, April 13, 2020, December 31, 2020,

## Notice

December 8, 2021 and May 5, 2022 respectively, the forthcoming Annual General Meeting ('AGM') will be held through video conferencing ('VC') or other audio visual means ('OAVM'). Hence, members can attend and participate in the ensuing AGM through VC / OAVM.

2. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015 (as amended) and MCA General Circulars dated April 08, 2020 and April 13, 2020, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has designated Central Depository Services (India) Limited ("**CDSL**") for facilitating voting through electronic means, as the authorized e-Voting agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
3. The Members can join the AGM in VC / OAVM mode 15 minutes before and after the scheduled time of the commencement of the AGM by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC / OAVM will be made available to at least 1000 members on first-come-first-serve basis. This will not include large shareholders (shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination & Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first-come-first-serve basis.
4. The attendance of the Members attending the AGM through VC / OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
5. Since the AGM is being convened through VC / OAVM and accordingly, the route map of the venue of the AGM is not annexed hereto.
6. Pursuant to MCA General Circular No. 14/2020 dated April 08, 2020 and MCA General Circular No. 17/2020 dated April 13, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC / OAVM and cast their votes through e-voting.
7. In line with the MCA General Circular no. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at [www.ajrinfra.in](http://www.ajrinfra.in). The Notice can also be accessed from the websites of the Stock Exchanges i.e. National Stock Exchange of India Limited and BSE Limited at [www.nseindia.com](http://www.nseindia.com) and [www.bseindia.com](http://www.bseindia.com) respectively. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. [www.evotingindia.com](http://www.evotingindia.com).
8. The AGM has been convened through VC / OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA General Circular nos. 14/2020, 17/2020, 39/2020, 20/2021 and 3/2022 dated April 8, 2020, April 13, 2020, December 31, 2020, December 8, 2021 and May 5, 2022 respectively. In view of the afore-mentioned General circulars, the Notice of the AGM is being sent to the members of the Company only by email. It is clarified that if a member fails to provide or update relevant e-mail address to the Company or to the depository participant, as the case may be the Company will not be in default for not delivering the notice via e-mail.
9. Members who have not registered their email address with Company can now register the same by sending an email to the Company at [compliances@ajrinfra.in](mailto:compliances@ajrinfra.in) to the RTA, Link Intime India Private Limited at [rta.helpdesk@linkintime.co.in](mailto:rta.helpdesk@linkintime.co.in). Members holding shares in demat form are requested to register their e-mail address with their Depository Participants only.
10. Explanatory Statement pursuant to Section 102 of the Act relating to the special business to be transacted at the AGM is annexed hereto.
11. All documents referred to in the accompanying Notice and Explanatory Statement are available

## Notice

for inspection through online mode only. Members can request the same by sending an email at [compliances@ajrinfra.in](mailto:compliances@ajrinfra.in).

12. CS (Mr.) Veeraraghavan. N, Company Secretary in practice (Membership no. 6911) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, unblock the votes cast through remote e-voting and the votes cast at the AGM in the presence of at least two witnesses not in the employment of the Company. The Scrutinizer shall within 2 working days of conclusion of the meeting submit a Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing.
  13. The results along with the Scrutinizer's Report shall be placed on the website of the Company and on the website of CDSL and shall be communicated to National Stock Exchange of India Limited and BSE Limited.
  14. Members can raise questions at the AGM through a chat box and they are requested to frame their questions precisely. Once the Member clicks the link for VC / OAVM in shareholder / members login where the EVSN of Company will be displayed, Members will be able to view AGM through VC / OAVM proceedings along with the chat box. The questions raised by the Members will be replied by the Company suitably.
  15. In case of Joint holders attending the AGM, only such joint holder whose name appears first in order of names will be entitled to vote. Corporate members are required to send a certified copy of the board resolution authorizing their representative to attend the AGM through VC / OAVM and vote on their behalf.
  16. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from April 01, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form.
- Members can contact the RTA, Link Intime India Private Limited at [rta.helpdesk@linkintime.co.in](mailto:rta.helpdesk@linkintime.co.in).
17. Pursuant to SEBI Circular no. SEBI/HO/MIRSD/MIRSD\_RTAMB /P/CIR/2021/655 dated November 03, 2021 read with SEBI Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2021/687 dated December 14, 2021, listed companies have to record the PAN, Nominations and KYC details of all the shareholders and Bank Account details of first holder of all the security holders in physical mode. In this regard, the shareholders who are having physical shares are required to update their KYC i.e. PAN, Bank Details, Nomination before April 01, 2023, failing to which their folios will be frozen as per SEBI Circular.
  18. Pursuant to SEBI Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated January 25, 2022, members holding shares in physical form are required to convert their shares into dematerialized form, failing which the RTA will not initiate and / or accept any request from such Members. Further, upon non-conversion, such shares will be credited to the Suspense Escrow Demat Account of the Company which shall be credited to the Members only upon furnishing their demat details.

### THE INSTRUCTIONS FOR SHAREHOLDERS FOR REMOTE E-VOTING AND E-VOTING DURING AGM AND JOINING MEETING THROUGH VC / OAVM ARE AS UNDER:

- (i) The remote voting period begins on 26th December, 2022 at 9.00 a.m. and ends on 28th December, 2022 at 5.00 p.m. During this period, shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 23rd December, 2022 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting.
- (iii) In terms of **SEBI** circular no. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020** on e-Voting facility provided by Listed Companies,

## Notice

Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<ol style="list-style-type: none"> <li>Users of who have opted for CDSL's Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URLs for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</li> <li>After successful login, the Easi / Easiest user will be able to see the e-Voting Menu. On clicking the e-voting menu, the user will be able to see his / her holdings along with links of the respective e-Voting service provider i.e. CDSL / NSDL / Karvy / Link Intime as per information provided by Issuer / Company. Additionally, we are providing links to e-Voting Service Providers, so that the user can visit the e-Voting service providers' site directly.</li> <li>If the user is not registered for Easi/ Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi./Registration/EasiRegistration">https://web.cdslindia.com/myeasi./ Registration/EasiRegistration</a></li> <li>Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-voting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>
Individual Shareholders holding securities in demat mode with NSDL	<ol style="list-style-type: none"> <li>If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select "Register Online for IDeAS "Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password / OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting</li> </ol>

## Notice

Type of shareholders	Login Method
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider's website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the AGM.

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forgot User ID and Forgot Password option available at abovementioned website.

### Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022-23058738 and 022-23058542-43.
Individual Shareholders holding securities in Demat mode with <b>NSDL</b>	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30

- (iv) Login method for e-Voting and joining virtual meeting for **shareholders other than individual shareholders & physical shareholders.**
- (v) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (vi) Click on "Shareholders" module.
- (vii) Now enter your User ID
- For CDSL: 16 digits beneficiary ID,
  - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

OR

Alternatively, if you registered for CDSL's EASI/EASIEST services, you can log-in at <http://www.cdslindia.com> from Login-Myeasi using your login credentials. Once you successfully long-in to CDSL's EASI/EASIEST e-services, click on e-Voting option and proceed directly to cast your vote electronically.

- (viii) Next enter the Image Verification as displayed and Click on Login.
- (ix) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.

## Notice

- (x) If you are a first time user follow the steps given below:

<b>For Shareholders holding shares in Demat Form other than individual &amp; Physical Form</b>	
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>Shareholders who have not updated their PAN with the Company / Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip indicated in the PAN field.</li> </ul>
D i v i d e n d Bank Details  <b>OR</b> Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <p>If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).</p>

- (xi) After entering these details appropriately, click on "SUBMIT" tab.
- (xii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- (xiii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

- (xiv) Click on the EVSN for the relevant <AJR INFRA AND TOLLING LIMITED> on which you choose to vote.

- (xv) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

- (xvi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

- (xvii) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

- (xviii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

- (xix) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

- (xx) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

- (xxi) Shareholders can also cast their vote using CDSL's mobile app "m-Voting". The m-Voting app can be downloaded from respective store. Please follow the instructions as prompted by the mobile app while Remote Voting on your mobile.

### PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:

- For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by



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email to Company at [compliances@ajrinfra.in](mailto:compliances@ajrinfra.in) / RTA email id at [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in).

- For Demat shareholders – please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to Company at [compliances@ajrinfra.in](mailto:compliances@ajrinfra.in) / RTA email id at [rnt.helpdesk@linkintime.co.in](mailto:rnt.helpdesk@linkintime.co.in).
- The Company / RTA shall co-ordinate with CDSL and provide the login credentials to the above mentioned shareholders.

### INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC / OAVM ARE AS UNDER:

- Shareholder will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at <https://www.evotingindia.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.
- Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
- Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio / Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- Shareholders who would like to express their views/ask questions during the AGM may register themselves as a speaker by sending their request in advance at least seven days

prior to meeting mentioning their name, demat account number / folio number, email id, mobile number at [compliances@ajrinfra.in](mailto:compliances@ajrinfra.in). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance seven days prior to meeting mentioning their name, demat account number / folio number, email id, mobile number at [compliances@ajrinfra.in](mailto:compliances@ajrinfra.in). These queries will be replied to by the Company suitably by email.

- Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

### INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC / OAVM & E-VOTING DURING MEETING ARE AS UNDER:-

- The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
- The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for Remote e-voting.
- Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
- If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC / OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
- Shareholders who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible



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to vote at the AGM.

### (xxii) **Note for Non – Individual Shareholders and Custodians**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the "Corporates" module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote to CS (Mr.)

Veeraraghavan Narayanan, Scrutinizer at [nvr54@gmail.com](mailto:nvr54@gmail.com) and to the Company at the email address [compliances@ajrinfra.in](mailto:compliances@ajrinfra.in), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call contact at 022-23058738 and 022-23058542/43.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N. M. Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call contact at 022-23058738 and 022-23058542/43.

By order of the Board,  
For, **AJR INFRA AND TOLLING LIMITED**  
(formerly Gammon Infrastructure Projects Limited)

**Kaushal Shah**  
Company Secretary & Compliance Officer

Place: Mumbai  
Date: 26th November, 2022

Registered office:  
3rd Floor, 3/8, Hamilton House, J. N. Heredia Marg,  
Ballard Estate, Mumbai – 400038

## Notice

# Explanatory Statement

(Pursuant to Section 102 of the Companies Act, 2013)

### ITEM NO. 4

The Board of Directors on the recommendation of the Nomination & Remuneration Committee appointed Mr. Subhrarabinda Birabar as an Additional Director of the Company in the category of a Non-Executive Non-Independent Director w.e.f. 26th November, 2022. In accordance with Section 161(1) of the Companies Act, 2013, Mr. Birabar holds office up to the date of the Annual General Meeting and is eligible for appointment as a Director of the Company. The Company has received a notice under Section 160 of the Companies Act, 2013 from a member signifying its intention to propose the candidature of Mr. Birabar as a Non-Executive Non-Independent Director of the Company.

Mr. Birabar is the Whole-Time Director of Indra Container Terminal Private Limited, subsidiary company and Chief Commercial Officer, of Vizag Seaport Private Limited, an associate company.

Mr. Birabar is a post-graduate in Logistics Management having professional experience of over 25 years in Port Sector. Mr. Birabar has more than 20 years of leadership experience and more than 25 years of experience in the Ports, SEZ/FTWZs, Logistics & Infrastructure field for large MNCs including L&T, Gammon Infrastructure Projects Limited, Dubai Ports World & Economic Zones World, Arshiya Limited. Mr. Birabar is focused & result oriented with core competency in creative and innovative commercial solutions for revenue enhancement.

Mr. Birabar has achieved success in Business Development, Sales & Marketing through expertise in Strategic planning capabilities. Mr. Birabar has also led multi-million US\$ initiatives from conceptualization to completion, successful and profitable operations and restructuring for greater revenue enhancements.

The Board considers that continued association of Mr. Birabar as a Director would be of immense benefit to the Company in view of his qualification, expertise and experience as also exposure to the corporate culture and governance.

Your Directors thus recommends the Resolution at item no. 4 of the Notice for your approval as an ordinary resolution.

Mr. Birabar is interested in the resolution set out at item no. 4 of the Notice to the extent of his shareholding interest, if any, in the Company. None of the other Directors / key managerial personnel of the Company or their relatives are in any way, concerned or interested, financially or otherwise, in the resolution set out at item no. 4 of the Notice.

By order of the Board,  
**For, AJR INFRA AND TOLLING LIMITED**  
 (formerly Gammon Infrastructure Projects Limited)

**Kaushal Shah**  
 Company Secretary & Compliance Officer

Place: Mumbai

Date: 26th November, 2022

**Registered office:**

3rd Floor, 3/8, Hamilton House, J. N. Heredia Marg, Ballard Estate, Mumbai – 400038

## Notice

# ANNEXURE

## DETAILS PURSUANT TO REGULATION 36(3) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 IN RESPECT OF DIRECTORS SEEKING APPOINTMENT AND RE-APPOINTMENT

Name of Director	Mr. Mineel Mali	Mr. Subh rarabinda Birabar
<b>Date of Birth &amp; Age (in years)</b>	19/05/1962 (60 years)	10/05/1973 (49 years)
<b>Date of first appointment on Board</b>	1st April, 2021	26th November, 2022
<b>Qualification</b>	Commerce Graduate	Post-Graduate in Logistics Management
<b>Number of shares held</b>	1,972	Nil
<b>Expertise in specific functional areas</b>	Commerce Graduate from Mumbai University and has professional experience of over three decades in the field of finance and accounts.	Professional experience of over 25 years in Port Sector, SEZ / FTWZs, Logistics & Infrastructure field. He has also led multi-million US\$ initiatives from conceptualization to completion, successful & profitable operations and restructuring for greater revenue enhancements
<b>Directorships held in other listed companies</b>	Nil	Nil
<b>Committee Positions held in other companies (Audit &amp; Stakeholders Relationship)</b>	Nil	Nil