BOARD'S REPORT

Dear Members,

The Directors have pleasure in presenting their report and Audited Accounts for the year ended March 31, 2021.

Financial Results / Financial Highlights

(Rs. in crore)

Particulars	2020-21	2019-20
Profit / (Loss) Before Depreciation, exceptional items & Tax	(1.52)	42.23
Less: Depreciation, amortization, impairment and obsolescence	26.71	28.99
Profit / (Loss) before exceptional items and tax	(28.23)	13.23
Add: Exceptional Items	0	0
Profit / (Loss) before tax	(28.23)	13.23
Less: Provision for tax	0	0
Profit for the period carried to the Balance Sheet	(28.23)	13.23
Add: Other comprehensive Income	0.07	(0.01)
Total Comprehensive income of the year	(28.16)	13.21
Add: Balance brought forward from previous year	(324.20)	(324.18)
Balance to be carried forward	(352.36)	(324.20)

State of Company Affairs:

The gross revenue and other income for the financial year under review were Rs. 44.69 crore as against Rs. 79.20 crore for the previous financial year registering a decrease of 44%. The loss before tax and loss after tax was Rs. 28.23 crore for the financial year under review as against Profit of Rs.13.23 crore for the previous financial year, registering an increase in loss by 313% respectively.

COVID-19 update

A major part of the period under review was impacted due to the COVID-19 pandemic. This was mainly on account of disruption in supply chain, capacity underutilization, logistics related issues, additional costs involved in ensured the safety of all employees across all project sites of the Company.

The Company focused on supporting the public health system in dealing with the COVID-19 pandemic and the most vulnerable members of the society.

It was ensured that employees are safe while also ensuring business continuity. The Company implemented safety and hygiene protocols like wearing face masks, social distancing norms, workplace sanitation, employee awareness programs across the Organisation and project sites. The protocols are regularly reviewed and updated based on revision in guidelines received from concerned authorities from time to time.

Capital & Finance

The Company has not issued or allotted share capital during the year.

Capital Expenditure

As at March 31, 2021 the gross fixed and intangible assets including leased assets, stood at Rs. 508.37 Cr and the net fixed and intangible assets, including leased assets, at Rs.140.33 Cr. Capital Expenditure during the year amounted to Rs. 0.06 Cr, however the company has not incurred any capital expenditure towards Intangible assets.

Deposits

The Company has not accepted deposits from the public falling within the ambit of Section 73 of the Companies Act, 2013 (the “Act”) and the Rules framed thereunder.

Depository System

As on March 31, 2021, the shares of the Company are held in the following manner:

Equity shares:

100% of the Company's equity paid up capital representing 3,00,46,606 equity shares @ Rs.10/- each are held in dematerialized form.

Non-convertible Debentures (NCD)

100% of Debentures representing 1250 NCD @ Rs.10,00,000/- each are held in Dematerialized form.

Subsidiary Companies

The company has no Subsidiary / Associate / Joint Venture Company under its purview.

Particulars of loans given, investments made, guarantees given or security provided by the Company.

Since the Company is engaged in the business of developing infrastructure facilities, the provisions of Section 186 except sub-section (1) of the Act are not applicable to the Company.

Details of loans given, investments made or guarantees given or security is provided in the financial statement.

Particulars of Contracts or Arrangements with related parties

All related party transactions during the year have been approved in terms of the Act. The entire related party transactions were at arm's length basis and in the ordinary course of business. The details of material Related Party Transactions are provided in **Annexure 1 (AOC-2).**

Amount to be carried to reserve

In view of loss incurred by the Company, during the year Company has not transferred any amount to Reserve.

Dividend

The Board of Directors has not recommended dividend for the year.

Material changes and commitments affecting the financial position of the company, between the end of the financial year and the date of the report

No material changes and commitments have occurred which affect the financial position of the Company between the end of the financial year and the date of this report.

Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

Conservation of Energy and Technology absorption

In view of the nature of activities which are being carried on by the Company, Section 134(3)(m) of the Act read with Rule 8(3) of the Companies (Accounts) Rules, 2014 conservation of energy and technology absorption does not apply to the Company.

Foreign exchange earnings and outgo

There is no foreign exchange earnings or outgo during the year.

Risk Management Policy

The Company follows the risk management policy of its Holding Company and has in place a mechanism to inform the Board Members about risk assessment and minimization procedures and periodical review to ensure that executive management controls risk by means of a properly designed framework.

Corporate Social Responsibility

Since your Company does not exceed any of the threshold limits specified under Section 135 of the Act, the provisions of Corporate Social Responsibility are not applicable.

Details of Directors and Key Managerial Personnel appointed/resigned during the year.

Mr. Pramod Sushila Kapoor, Director retired by rotation at the Annual General Meeting held on September 30, 2020 and was reappointed as Director.

The Independent Directors of the Company have registered themselves on the Independent Director's Databank.

The first term of 5 years of the Independent Directors of the Company concluded on March 29, 2020. Subsequently, the Independent Directors were re-appointed for a second term of 5 years from March 30, 2020 to March 29, 2025.

The qualification, technical knowledge and expertise of the Independent Directors are best suited for the Company's business. The Independent Directors were re-appointed for the second term of 5 years as non-executive directors felt that the contribution of the Independent Directors towards the progress of the Company was invaluable so far and will continue to be so in future also.

Composition of Board of Directors of the Company as on March 31, 2021, stood as below:

S. No.	Name of the Director	Designation	DIN
1	Mr. Pramod Sushila Kapoor	Director	02914307
2	Dr. Esther Malini	Woman Director	07124748
3	Mr. P G Suresh Kumar	Director	07124883
4	Mr. N Raghavan	Independent Director	00251054
5	Dr Ashwin Mahalingam	Independent Director	05126953

The Key Managerial Personnel (KMP) of the Company as on March 31, 2021, are:

S. No.	Name	Designation	Date of Appointment
1	Col. Gyan Prakash Sharma[&]	Manager	March 18, 2019
2	Mr. R. Vinayak Sankar[#]	Chief Financial Officer	November 3, 2014
3	Mr. V. Ravichandran*	Company Secretary	March 18, 2019
4	Mr. Amit Kumar Chanda[%]	Manger	October 7, 2020
5	Ms. Priti Sharma	Company Secretary	October 7, 2020
6	Ms. Kothari Pooja Jain	Chief Financial Officer	October 7, 2020

&Resigned with effect from August 12, 2020
 # Resigned with effect from June 15, 2020
**Resigned with effect from June 3, 2020*
% Resigned with effect from November 30, 2020

Mr. Anupam Misra was appointed as manager w.e.f. 17.04.2021.

Number of Meetings of the Board of Directors

The Meetings of the Board are held at regular intervals with a time gap of not more than 120 days between two consecutive Meetings.

During the year six Board Meetings were held. The details of the Board meetings conducted during the year are given below:

Date	Strength	Directors Present
10.04.2020	5	4
05.05.2020	5	5
06.07.2020	5	4
07.10.2020	5	5
07.01.2021	5	5
26.03.2021	5	3

Information to the Board

The Board of Directors has complete access to the information within the Company which interalia includes:

- Annual revenue budgets and capital expenditure plans
- Quarterly financials and results of operations
- Financing plans of the Company
- Minutes of the meeting of the Board of Directors, Audit Committee (AC), Nomination and Remuneration Committee (NRC)
- Report on fatal or serious accidents
- Any materially relevant default, if any, in financial obligations to and by the Company
- Any issue which involves possible public or product liability claims of substantial nature, including any Judgement or Order, if any, which may have strictures on the conduct of the Company
- Development in respect of human resources

- Compliance or non-compliance of any regulatory, statutory nature or listing requirements and investor service.

Presentations are made regularly to the Board/NRC/AC (minutes of Board, AC and NRC are circulated to the Board), where Directors get an opportunity to interact with senior managers. Presentations, inter alia cover business strategies, management structure, management development and planning, half-yearly and annual results, budgets, treasury, review of Internal Audit reports, risk management, etc.

Independent Directors have the freedom to interact with the Company's management. Interactions happen during the Board / Committee Meetings, when senior company personnel are asked to make presentations about performance of the Company.

Audit Committee

The Company has constituted an Audit Committee in terms of the requirements of the Act comprising of Mr. N. Raghavan, Dr. Ashwin Mahalingam and Dr. Esther Malini.

During the year six Audit Committee meetings were held. The details of the meetings conducted during the year under review are given below:

Date	Strength	Members Present
10.04.2020	3	2
05.05.2020	3	3
06.07.2020	3	2
07.10.2020	3	3
07.01.2021	3	3
26.03.2021	3	2

Vigil Mechanism / Whistle Blower Policy

L&T IDPL and its SPVs committed to the best practices based on the principle of transparency, accountability, fairness and integrity to create long term sustainable value for its employees and all stakeholders. Our company has in place vigil mechanism procedure to provide an avenue to all stakeholders as and when they anticipates an violation of company's policies, code of conduct, an infringement of laws/ regulations, or the governing documents to report, on her/his own (by name or anonymously) to the Compliance Officer, WBIC through email addressed to wbic@lntidpl.com, compliance@lntidpl.com, or call to the HOTLINE number (access is only with the Compliance Officer of the L&T IPDL). Reported incidents handled with confidentiality and the company does not allow reprisals of any kind against those who in good faith, report an infringement or suspicion of an infringement of the rules and guidelines. Our company has also adopted Code of Conduct policy.

Company Policy on Director Appointment and Remuneration

The Company had constituted the Nomination and Remuneration Committee in accordance with the requirements of the Act read with the Rules made thereunder comprising of Mr. N. Raghavan, Dr. Ashwin Mahalingam and Dr. Esther Malini.
During the year, two Meetings of the Nomination and Remuneration Committee were held. The details of the meeting conducted during the year under review are given below:

Date	Strength	Members Present
05.5.2020	3	3
07.10.2020	3	3

The Committee had formulated a policy on Director's appointment and remuneration including recommendation of remuneration of the KMP and the criteria for determining qualifications, positive attributes and independence of a Director and also for KMP.

Declaration of independence

The Company has received declaration of independence as stipulated under Section 149(7) of the Act from the Independent Directors confirming that he/she is not disqualified from continuing as an Independent Director.

Adequacy of Internal Financial Controls

The Company has designed and implemented a process driven framework for Internal Financial Controls ('IFC') within the meaning of the explanation to Section 134(5)(e) of the Companies Act, 2013. For the year ended March 31, 2021, the Audit Committee and the Board are of the opinion that the Company has sound IFC commensurate with the nature and size of its business operations and operating effectively and no material weaknesses exist. The Company has a process in place to continuously monitor the same and identify gaps, if any, and implement new and / or improved controls wherever the effect of such gaps would have a material effect on the Company's operations.

Directors Responsibility Statement

The Board of Directors of the Company confirms that:

a) In the preparation of Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any.

b) The Directors 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 profit or loss of the Company for that period.

c) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

d) The Directors have prepared the Annual Accounts on a going concern basis.

e) The Directors have laid down an adequate system of internal financial control with respect to reporting on financial statements and the said system is operating effectively.

f) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and were operating effectively.

Performance Evaluation of the Board, its Committees and Directors

The Nomination & Remuneration Committee and the Board have laid down the manner in which formal annual evaluation of the performance of the Board, committees and individual directors has to be made.

It includes circulation of questionnaires to all Directors for evaluation of the Board and its Committees, Board composition and its structure, its culture, Board effectiveness, Board functioning, information availability, etc. These questionnaires also cover specific criteria and the grounds on which all directors in their individual capacity will be evaluated.

Further, the Independent Directors reviewed the performance of Board, Committees, and Non-Executive Directors. The performance evaluation of the Board, Committees and Directors was also reviewed by the Nomination and Remuneration Committee and the Board of Directors.

Compliance with Secretarial Standards on Board and General Meetings

The Company has complied with Secretarial Standards issued by the Institute of Company Secretaries of India on Board Meetings and General Meetings.

Protection of Women at Workplace

The Company has adopted a policy on Protection of Women‘s Rights at workplace in line with the policy formulated by the parent company, Larsen & Toubro Ltd. This has been widely disseminated. The Company has an internal Compliance Committee under the Sexual harassment of women at work place (Prevention, Prohibition and Redressal) Act, 2013. The There were no complaints of sexual harassment received by the Company during the year.

Auditors Report

The Auditors’ Reports on the financial statements for the financial year 2020-21 are unqualified. The Notes to the accounts referred to in the Auditors’ Reports are self-explanatory and do not call for any further clarifications under section 134(3)(f) of the Act.

Auditor

The Company at the Twelfth Annual General Meeting (AGM) held on September 27, 2017 had appointed M/s Gianender & Associates, Chartered Accountants, (ICAI Registration no: 004661N), New Delhi as Statutory Auditors of the Company to hold office until the conclusion of the sixth consecutive AGM of the Company.

Secretarial Auditor

M/s. M. Alagar & Associates, Company Secretary in practice (C.O.P.No.8196) was appointed to conduct the secretarial audit of the Company for the financial year 2020 – 21 as required under Section 204 of the Act and Rules thereunder. The secretarial audit report to the Shareholders for the financial year 2020-21 is unqualified and is attached as **'Annexure 2**'.

Details of Significant & Material Orders Passed by the Regulators or Courts or Tribunals

During the year under review, there were no material and significant orders passed by the regulators or courts or tribunals impacting the going concern status and the Company's operations in future.

Copy of Annual Return:

As per the provisions of Section 92(3) of the Act and Rule 12 of the Companies (Management and Administration) Rules, 2014 a copy of the Annual Return is available at website https://www.lntidpl.com/businesses/roads/operational-projects/panipat-elevated-corridor-haryana/ .

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Acknowledgement

The Board of Directors wish to express their appreciation to all the employees for their outstanding contribution to the operations of the Company during the year. Your Directors take this opportunity to thank financial institutions, banks, Central and State Government authorities, regulatory authorities and all the stakeholders for their continued co-operation and support to the Company.

For and on behalf of the Board

Pramod Sushila Kapoor	**Dr. Esther Malini**
Director	*Director*
DIN: 02914307	*DIN: 07124748*

Date: 17.04.2021
Place: Chennai

Annexure 1

FORM NO. AOC.2

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 transactions under the third proviso thereto

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

1. Details of contracts or arrangements or transactions not at arm's length basis

   The Company has not entered into such transactions during the year.

2. Details of material contracts or arrangement or transactions at arm's length basis

(Rs. in crore)

Name of the related party	Nature of relationship	Nature of contract/ arrangement/ transactions	Amount of Transaction	Duration of contract/ arrangement/ transactions	Salient terms of contract/ arrangement/ transactions	Amount paid as advance
L&T IDPL	Holding Company	Interest Expenses	16,29,15,589	-	-	0
VBTL	Fellow Subsidiary	ICD Received	76,70,00,000	-	-	0
L&T IDPL	Holding Company	NCD Repayment	25,00,00,000	-	-	0

For and on behalf of the Board

Pramod Sushila Kapoor	**Dr. Esther Malini**
Director	*Director*
DIN: 02914307	*DIN: 07124748*

Date: 17.04.2021
Place: Chennai

Annexure 2

Form No. MR-3
SECRETARIAL AUDIT REPORT
For the Financial Year ended March 31,2021

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies(Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
PANIPAT ELEVATED CORRIDOR LIMITED

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Panipat Elevated Corridor Limited** (**hereinafter called the "Company"**). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended March 31, 2021 ("**Audit Period**") 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:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by "the Company" for the financial year ended March 31, 2021 according to the provisions of:

(i) The Companies Act, 2013 ('Act') and the rules made thereunder as amended time to time including Secretarial Standards issued by the Institute of Company Secretaries of India ('ICSI') and notified as on date;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder as amended from time to time –Not Applicable to the company during the audit period

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder, as amended from time to time;

(iv) 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 as amended from time to time -Not Applicable to the company during audit period;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') as amended from time to time:-

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011- Not Applicable to the company during the Audit period;

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015- Not Applicable to the company during the Audit period;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 - Not Applicable to the company during the Audit period;

(d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014- Not Applicable to the company during the Audit period;

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 - Not Applicable to the company during the Audit period;

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client - To the extent applicable to the company;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 - Not Applicable to the company during the Audit period;

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 - Not Applicable to the company during the Audit period;

During the period under review, we observed that the Company has complied with the applicable statutory provisions as stated above, Rules, Regulations, Guidelines made thereunder.

We Further report that based on the explanation given, information received, and process explained, there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable labour laws, rules, regulations and guidelines. The Company has confirmed compliance with the following labour and industrial laws;

a. Bonded Labour System (Abolition) Act, 1976
b. Employee State Insurance Act, 1948
c. Maternity Benefit Act, 1961
d. Respective State Shops And Establishment Act
e. State Specific Labour Welfare Fund Act
f. The Child Labour (Prohibition And Regulation) Act, 1986
g. The Contract Labour (Regulation And Abolition) Act, 1970
h. The Employees Compensation Act, 1923
i. The Employees Provident Fund Scheme, 1952
j. The Employment Exchanges (Compulsory Notification Of Vacancies) Act, 1959
k. The Equal Remuneration Act, 1976
l. The Minimum Wages Act, 1948
m. The Payment Of Bonus Act, 1965
n. The Payment Of Bonus Rules, 1976
o. The Payment Of Gratuity Act, 1972
p. The Payment Of Wages Act, 1936

q. Information Technology Act, 2000
r. Electricity Rules, 1956
s. Forest Conservation Act, 1980
t. Motor Vehicles Act, 1988
u. The National Highways (Collection Of Fees By Any Person For The Use Of Section Of National Highways/ Permanent Bridge/ Temporary BridgeOn National Highways) Rules,1997
v. The Prohibition Of Smoking In Public Places Rules, 2008

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and a Women Director. The changes in the composition of the Board of Directors or Key Managerial personnel that took place during the period under review 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 to them at least seven days 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.

There are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

There were no other specific events / actions in pursuance of the above referred laws, rules, regulations, guidelines, etc, having major bearing on the Company’s affairs.

For M. Alagar & Associates

Place: Chennai
Date: April 13, 2021

M. Alagar
Managing Partner
FCS No: 7488
CoP No.: 8196
UDIN: F007488C000225035

This Report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

'Annexure A'
To,
The Members
Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Where ever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.

5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For M. Alagar & Associates

Place: Chennai
Date: April 13, 2021

M. Alagar
Managing Director
FCS No: 7488
CoP No.: 8196
UDIN: F007488C000225035

INDEPENDENT AUDITOR'S REPORT

To the Members of
Panipat Elevated Corridor Limited

Report on the audit of the Standalone Ind AS Financial Statements

Opinion

We have audited the Standalone Ind AS financial statements of **Panipat Elevated Corridor Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2021 and the Statement of Profit and Loss, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the Standalone Ind AS financial statements, including a summary of significant accounting policies and other explanatory information for the year ended on that date.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind AS financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and its loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Material Uncertainty Related to Going Concern

We draw attention to Note (10) in the financial statements, which indicates that the Company incurred a cumulative net loss of Rs. 352,36,11,242/- up to March 31st, 2021 resulting in negative net-worth of the Company Rs. 302,64,47,374/- & Current financial Liabilities exceeds the Current financial Assets by Rs. 287,70,77,958/-. These events or conditions, indicate that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. However, as stated in Note H (12), it has been represented by the management that the company's revenue for the subsequent financial years will be sufficient to meet the expenditure and recoup the losses incurred thereby strengthening the financial position of the company. Further, there is a continuing support from the holding Company and the company will be able to discharge all its obligations in foreseeable future and therefore going concern assumption is appropriate for preparation of financial statements

Our opinion is not modified in respect of this matter.

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Information Other than the Ind AS 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 Annual Report (but does not include the standalone Ind AS financial statements and our auditor's report thereon)

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

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

Responsibility of Management and Those Charged with Governance for the Standalone Ind AS Financial Statements

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

In preparing the 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.
Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the 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 it 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 financial statements.
As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the 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,

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as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

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

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

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

Other Matter

Independent Auditor's Report without physical visit to the Company due to COVID 19
The opinion expressed in the present report is based on the limited information, facts and inputs made available to us through electronic means by the Company. We wish to highlight that due to the COVID 19 induced restrictions on physical movement, the entire audit team could not visit the Company for undertaking the required audit procedures as prescribed under ICAI issued Standards on Auditing, including but not limited to:

- Inspection, observation, examination and verification of the original documents/ files. Verified the scanned documents provided by the Company on Email.
- Examination of the FA register, physical verification process / addition of Fixed Assets documents, if any.
- Verification of Minute book i.e. AGM, Board minutes and AGM.

Report on Other Legal and Regulatory Requirements

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

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.

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b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

c) The Balance Sheet, the Statement of Profit and Loss, the statement of changes in equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid Standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

e) Our observations made on the matters stated in the 'Material Uncertainty Relating to Going Concern' paragraphs above may have a significant effect so as to adversely affect the functioning of the company.

f) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 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 controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The company does not have any pending litigations which would impact its financial position except those disclosed in financial statements;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

3. 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, the Company has paid the managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V of the Companies Act 2013.

For Gianender & Associates
Chartered Accountants
(Firm's Registration No. 004661N)

G. K. Agrawal
(Partner)
(M No. 081603)

Place: New Delhi
Date: 17/04/2021
UDIN: 21081603AAAAIE6167

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Annexure 'A' to the Independent Auditor's Report of PANIPAT ELEVATED CORRIDOR LIMITED for the Year ended as on 31st March 2021
Annexure referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report on even date:-

1. A)The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;
   B) The Fixed Assets have been physically verified by the Management at regular Intervals and no material discrepancies were noticed on such verification.
   C) The title deeds of immovable properties are held in the name of the Company.

2. As the company is engaged in the business of infrastructure development, operations and its maintenance and there is no inventory in hand at any point of time, hence paragraph 3(ii) of the Order is not applicable to the company.
3. The Company has not granted any loans, secured or unsecured to companies, firms, limited liabilities partnership or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Hence, reporting under clause (a) to (c) of Para 3(iii) are not applicable

4. The Company has not entered into any transaction in respect of loans, investments, guarantee and securities, which attracts compliance to the provisions of the sections 185 and 186 of the Companies Act, 2013. Therefore the paragraph 3(iv) of the Order is not applicable to the company.

5. The Company has not accepted deposits and the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under are not applicable to the Company.

6. According to the information and explanations given to us, the Company is prima-facie maintaining the cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013.
7. a. According to the information and explanations given to us and on the basis of our examination of the books of accounts, the company has been generally regular in depositing undisputed statutory dues including provident fund, employee state insurance, income tax, Goods service tax, , cess and other statutory dues during the year with the appropriate authorities. As on 31st March 2021, there are no undisputed statutory dues payables for period exceeding for a period more than six month from the date they become payable .

   b. According to the information and explanation given to us, there are no dues of provident fund, employee state insurance, income tax, Goods service tax, cess and other statutory dues which have not been deposited on account of dispute.

8. The company has not taken term loans from banks and a financial institution. According to the information and explanations given to us the company has not defaulted in repayment of loans or borrowings to debenture holders. The Company has not taken any loans or borrowings from Government.
9. Money raised by way of term loans were applied for the purpose for which it was raised. The Company has not raised money by way of initial public offer or further public offer.

10. According to the information and explanation given to us by the management which have been relied by us, there were no frauds on or by the company noticed or reported during the period under audit.

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11. According to the information and explanations given to us and based on our examination of the records of the Company, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V of the Companies Act 2013.

12. The Company is not a Nidhi Company and hence clause3 (xii) of the Companies (Auditor's Report) Order 2016 is not applicable.

13. According to the information and explanations given to us and based on our examination of the records of the Company, all transactions with the related parties are in compliance with sections 177 and 188 of the Companies Act, 2013 where applicable and the details of such transactions have been disclosed in the Standalone Ind AS financial statements as required by the applicable accounting standards.

14. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

15. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

16. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For Gianender & Associates
Chartered Accountants
(Firm's Registration No. 004661N)

G. K. Agrawal
(Partner)
(M No. 081603)

Place: New Delhi
Date: 17/04/2021
UDIN: 21081603AAAAIE6167

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ANNEXURE - B TO THE INDEPENDENT AUDITORS' REPORT
(Referred to in our Report of even date)

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

We have audited the internal financial controls with reference to financial statements of **Panipat Elevated Corridor Limited** ("the Company") as of March 31, 2021 in conjunction with our audit of the Standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal financial controls 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 (the "Guidance Note"). 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 financial statements based on our audit. We conducted our audit in accordance with 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 over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system 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 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 judgement, including the assessment of the risks of material misstatement of the Standalone Ind AS financial statements, whether due to fraud or error.
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system 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 Standalone Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide

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reasonable assurance that transactions are recorded as necessary to permit preparation of Standalone Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Standalone Ind AS financial statements.

Inherent Limitations of Internal Financial Controls with reference to financial statements

Because of the inherent limitations of internal 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 over financial reporting 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 financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2021, based on the internal financial controls 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.

For Gianender & Associates
Chartered Accountants
(Firm's Registration No. 004661N)

G. K. Agrawal
(Partner)
(M No. 081603)

Place: New Delhi
Date: 17/04/2021
UDIN: 21081603AAAAIE6167

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Panipat Elevated Corridor Limited
(CIN NO : U45203TN2005PLC056999)
Balance Sheet as at March 31, 2021

Particulars	Note	March 31, 2021 ₹	March 31, 2020 ₹
ASSETS			
Non-current assets			
a) Property, Plant and Equipment	1	57,53,296	67,38,770
b) Capital work-in-progress	2	-	1,49,62,956
b) Intangible assets	2	1,39,76,08,673	1,68,19,11,534
c) Financial Assets			
i) Loans	3	11,85,751	7,51,881
d) Other non-current assets	5	4,09,83,618	-
	A	1,44,55,31,338	1,70,43,65,141
Current assets			
a) Financial Assets			
i) Investments	7	-	30,93,641
ii) Cash and cash equivalents	8	68,83,314	48,58,859
iii) Other Bank balances	8(a)	1,43,702	1,35,466
iv) Other financial assets	4	1,48,43,451	8,000
b) Current Tax Assets (net)	6	2,46,954	7,31,296
c) Other current assets	5	75,98,691	12,96,571
	B	2,97,16,112	1,01,23,833
TOTAL	A+B	1,47,52,47,450	1,71,44,88,974
EQUITY AND LIABILITIES			
EQUITY			
a) Equity Share capital	9	30,04,66,060	30,04,66,060
b) Other Equity	10	(3,32,69,13,434)	(3,04,53,11,200)
	C	(3,02,64,47,374)	(2,74,48,45,140)
LIABILITIES			
Non-current liabilities			
a) Financial liabilities			
i) Borrowings	11	1,50,81,15,805	2,02,80,39,410
b) Provisions	13	8,32,76,751	3,77,55,986
	D	1,59,13,92,556	2,06,57,95,396
Current liabilities			
a) Financial liabilities			
i) Borrowings ST	11	1,83,74,10,885	1,07,04,10,885
ii) Trade payables			
A) Total Outstanding dues to micro Enterprise and small enterprise.	15	-	-
B) Total Outstanding dues of creditors Other than (A).	14	2,01,81,087	1,45,85,639
iii) Other financial liabilities	12	91,97,63,437	1,11,62,54,194
b) Other current liabilities	14	25,41,217	42,46,562
c) Provisions	13	13,04,05,642	18,80,41,438
	E	2,91,03,02,268	2,39,35,38,718
Total Equity and Liabilities	C+D+E	1,47,52,47,450	1,71,44,88,974
Contingent liabilities	F		
Commitments	G		
Other notes forming part of accounts	H		
Significant accounting policies	I		

As per our report attached
Gianender & Associates
Chartered Accountants
Firm's Registration No. 004661N
by the hand of

For and on behalf of the Board

G. K. Agrawal
Partner
Membership No.: 81603

Chief Financial Officer
K. Pooja Jain

Company Secretary
Priti Sharma

Director
Dr.Esther Malini
DIN No:07124748

Director
P.G.Suresh Kumar
DIN No : 07124883

Place: New Delhi
Date: 17.04.2021

Place: Chennai
Date: 17.04.2021

Panipat Elevated Corridor Limited
(CIN NO : U45203TN2005PLC056999)
Statement of Profit and Loss for the period ended March 31, 2021

Particulars	Note	March 31, 2021 ₹	March 31, 2020 ₹
REVENUE			
Revenue from Operations	16	44,69,13,157	79,19,86,601
Other income	17	4,93,85,998	19,74,61,925
Total Revenue		**49,62,99,155**	**98,94,48,526**
EXPENSES			
Construction contract expenses		1,63,94,150	-
Operating expenses	18	13,72,78,670	12,20,10,777
Employee benefit expenses	19	1,59,31,214	1,91,56,085
Finance costs	20	33,07,63,593	41,40,53,309
Depreciation and amortisation	1,2	26,71,08,054	28,99,49,394
Administration and other expenses	21	1,11,15,421	1,19,68,128
Total Expenses		**77,85,91,102**	**85,71,37,693**
Profit/(Loss) before tax		(28,22,91,947)	13,23,10,833
Tax Expense:			
Current tax			
Profit/(Loss) after tax for the year		**(28,22,91,947)**	**13,23,10,833**
Exceptional Items		-	-
Profit for the year		**(28,22,91,947)**	**13,23,10,833**
Other Comprehensive Income			
i) Items that will not be classified to profit or loss (net of tax)		6,89,713	(1,34,086)
Remeasurement of net defined benefit liability or asset			
ii) Items that will be reclassified to profit or loss (net of tax)			
Total Other Comprehensive Income		6,89,713	(1,34,086)
Total Comprehensive Income for the year		**(28,16,02,234)**	**13,21,76,747**
Earnings per equity share (Basic and Diluted)	H(7)	(9.37)	4.40
Face value per equity share		10.00	10.00

As per our report attached
Gianender & Associates
Chartered Accountants
Firm's Registration No. 004661N
by the hand of

For and on behalf of the Board

G. K. Agrawal
Partner
Membership No.: 81603

CFO
K. Pooja Jain

Company Secretary
Priti Sharma

Director
Dr. Esther Malini
DIN No : 07124748

Director
P.G.Suresh Kumar
DIN No : 07124883

Place:New Delhi
Date: 17.04.2021

Place : Chennai
Date: 17.04.2021

Panipat Elevated Corridor Limited
(CIN NO : U45203TN2005PLC056999)
Cash Flow Statement for the period ended March 31, 2021

S. No.	Particulars	March 31, 2021 ₹	March 31, 2020 ₹
A	**Net profit / (loss) before tax and extraordinary items**	(28,16,02,234)	13,21,76,747
	Adjustment for		
	Depreciation and amortisation expense	26,71,08,054	28,99,49,394
	Interest expense	33,07,63,593	41,40,53,309
	Interest income	(20,138)	(13,183)
	COS Expenditure incurred in P.Y	1,49,62,956	-
	Modification gain on Financial Liability (Refer note H(10))	(3,24,40,181)	-
	(Profit)/loss on sale of current investments(net)	(3,13,038)	(15,23,280)
	(Profit)/loss on sale of fixed assets	(13,552)	(4,44,358)
	Operating profit before working capital changes	**29,84,45,460**	**83,41,98,629**
	Adjustments for:		
	Increase / (Decrease) in long term provisions	4,13,60,665	3,77,55,986
	Increase / (Decrease) in trade payables	55,95,448	78,76,501
	Increase / (Decrease) in other current liabilitites	(17,05,345)	18,47,779
	Increase / (Decrease) in other current financial liabilitites	(93,26,290)	(16,41,01,465)
	Increase / (Decrease) in short term provisions	(5,76,35,796)	(17,25,47,145)
	(Increase) / Decrease in long term loans	(4,33,870)	-
	(Increase) / Decrease in other non-current assets	(4,09,83,618)	2,75,129
	(Increase) / Decrease in other current assets	(63,02,120)	22,00,332
	(Increase) / Decrease in other financial assets	1,65,27,945	99,26,323
	Net cash generated from/(used in) operating activities	**24,55,42,479**	**55,74,32,069**
	Direct taxes paid (net of refunds)	4,84,342	77,768
	Net Cash(used in)/generated from Operating Activities	**24,60,26,821**	**55,75,09,837**
B	**Cash flow from investing activities**		
	Purchase of fixed assets	(5,88,810)	(1,13,86,092)
	Sale of fixed assets	40,265	4,67,060
	(Purchase)/Sale of current investments(Net)	34,06,679	9,52,17,790
	Interest received	11,902	4,528
	Net cash (used in)/generated from investing activities	**28,70,036**	**8,43,03,286**
C	**Cash flow from financing activities**		
	Proceeds from Short term borrowings	97,80,00,000	1,33,50,00,000
	Repayments of short term borrowings	(21,10,00,000)	(41,60,89,115)
	Repayment of long term borrowings	(25,00,00,000)	(20,00,00,000)
	Deferred payment liability	(61,77,10,672)	(1,09,34,00,197)
	Interest paid	(14,61,61,730)	(27,31,85,063)
	Net cash (used in)/generated from financing activities	**(24,68,72,402)**	**(64,76,74,375)**
	Net increase / (decrease) in cash and cash equivalents (A+B+C)	**20,24,455**	**(58,61,252)**
	Cash and cash equivalents as at the beginning of the year	48,58,859	1,07,20,111
	Cash and cash equivalents as at the end of the year	**68,83,314**	**48,58,859**

Disclosure as required by Ind AS 7
Reconciliation of liabilities arising from financing activities

Particulars	Opening Balance	Cash Flows	Non Cash Changes	Closing Balance
a) Long Term Borrowings	1,50,00,00,000	(25,00,00,000)	-	1,25,00,00,000
b) Deferred Payment Liabilities	1,44,04,39,410	(61,77,10,672)	10,47,02,203	92,74,30,941
c) Short Term Borrowings	1,07,04,10,885	76,70,00,000	-	1,83,74,10,885
d) Interest accrued	17,26,65,700	(14,61,61,730)	20,20,82,127	22,85,86,097

Notes:
1. Cash flow statement has been prepared under the 'Indirect Method' as set out in the Ind AS 7 - Cash Flow statements
2. Cash and cash equivalents represent cash and bank balances.
3. Previous year's figures have been regrouped/reclassified wherever applicable.
4.Components of Cash and Cash Equivalents

Particulars	As at March 31,2021	As at March 31,2020
Cash in hand	10,67,353	16,20,125
Balances with Schedule Banks		
In Current Accounts	58,15,961	32,38,734
In Fixed Deposits		-
Total Cash and cash equivalents	**68,83,314**	**48,58,859**

Gianender & Associates
Chartered Accountants
Firm's Registration No. 004661N
by the hand of

G. K. Agrawal
Partner
Membership No.: 81603

Chief Financial Officer
K. Pooja Jain

Company Secretary
Priti Sharma

Director
Dr. Esther Malini
DIN No : 07124748

Director
P.G.Suresh Kumar
DIN No : 07124883

Place: New Delhi
Date: 17.04.2021

Place: Chennai
Date: 17.04.2021

Panipat Elevated Corridor Limited
Statement of Changes in Equity as on 31.03.2021

a) **Equity Share Capital**

Particulars	As at March 31, 2021	As at March 31, 2020
Balance as at beginning of the period	30,04,66,060	30,04,66,060
Changes in equity share capital during the year	-	-
Balance as at Closing of the Period	30,04,66,060	**30,04,66,060**

b) **Other equity as on 31.03.2021**

Particulars	Equity component of compound financial instruments	Reserves & Surplus		Total `
		Debenture Redemption Reserve	Retained earnings	
Balance as at April 01, 2020	6,43,86,975	13,23,10,833	(3,24,20,09,008)	**(3,04,53,11,200)**
Profit for the year		-	(28,22,91,947)	**(28,22,91,947)**
Other comprehensive income			6,89,713	**6,89,713**
Transfer from / (to) debenture redemption reserve			-	-
Balance as at March 31, 2021	**6,43,86,975**	**13,23,10,833**	**(3,52,36,11,242)**	**(3,32,69,13,434)**

Debenture Redemption Reserve:
The company has issued redeemable non convertible debentures. Accordingly, the companies (share capital and debenture) Rules, 2014(as amended), require the company to create Debenture Redemption Reserve (DRR) out of the profits of the company available for payment of dividend. DRR is required to be created for an amount which is equal to 10% of the value of the outstanding debentures. As the company has no profit for creation of DRR and existing DRR is more than required 10%., no additional DRR is created during the year.

Other equity as on 31.03.2020

Particulars	Equity component of compound financial instruments	Reserves & Surplus		Total `
		Debenture Redemption Reserve	Retained earnings	
Balance as at April 01, 2019	6,43,86,975	-	(3,24,18,74,922)	**(3,17,74,87,947)**
Loss for the year			13,23,10,833	**13,23,10,833**
Other comprehensive income			(1,34,086)	**(1,34,086)**
Transfer from / (to) debenture redemption reserve		13,23,10,833	(13,23,10,833)	-
Balance as at March 31,2020	**6,43,86,975**	**13,23,10,833**	**(3,24,20,09,008)**	**(3,04,53,11,200)**

As per our report attached
Gianender & Associates
Chartered Accountants
Firm's Registration No. 004661N
by the hand of

For and on behalf of the Board

G. K. Agrawal
Partner
Membership No.: 81603

Chief Financial Officer
K. Pooja Jain

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Priti Sharma

Direct
Dr. Esther Malini
DIN No : 07124748

Director
P.G.Suresh Kumar
DIN No : 07124883

Place: New Delhi
Date: 17.04.2021

Place: Chennai
Date: 17.04.2021

Panipat Elevated Corridor Limited

Notes forming parts of accounts as at and for the year ended on 31st March, 2021

1) Property, Plant and Equipment

₹

Particulars	Cost				Depreciation				Book Value	
	As at April 01, 2020	Additions	Deductions	As at March 31, 2021	As at April 01, 2020	For the year	Deductions	As at March 31, 2021	As at March 31, 2021	As at March 31, 2020
Owned										
Land	12,99,680	-	-	12,99,680	-	-	-	-	12,99,680	12,99,680
Plant and Equipment	99,05,079	-	-	99,05,079	64,21,415	8,61,414	-	72,82,829	26,22,250	34,83,664
Furniture and fixtures	7,42,397	-	-	7,42,397	6,43,324	17,035	-	6,60,359	82,038	99,073
Vehicles	25,27,329	-	-	25,27,329	13,07,861	2,82,892	-	15,90,753	9,36,576	12,19,468
Office equipment	7,20,908	-	-	7,20,908	3,35,825	1,36,859	-	4,72,684	2,48,224	3,85,083
Electrical installations	4,21,427	-	2,24,853	1,96,574	3,91,857	29,565	2,24,853	1,96,569	5	29,570
Computers, laptops and printers	5,97,263	5,88,810	1,82,492	10,03,581	3,75,031	2,19,807	1,55,779	4,39,059	5,64,522	2,22,232
Total	**1,62,14,083**	**5,88,810**	**4,07,345**	**1,63,95,548**	**94,75,313**	**15,47,571**	**3,80,632**	**1,06,42,252**	**57,53,296**	**67,38,770**
Previous year	*1,49,53,191*	*18,81,337*	*6,20,445*	*1,62,14,083*	*84,88,655*	*15,84,401*	*5,97,743*	*94,75,313*	67,38,770	64,64,536

2) Capital work-in-progress

Particulars	Cost			
	As at April 01, 2020	Additions	Deductions	As at March 31, 2021
Capital work in progress	1,49,62,956		1,49,62,956	-
Total	**1,49,62,956**	**-**	**1,49,62,956**	**-**
Previous year	*54,58,200*	*95,04,756*	-	*1,49,62,956*

1.1 *There is no restriction on title of property, plant and equipments.*

1.2 *There is no contractual commitment on acquition of property, plant and equipments.*

2) Intangible Assets

₹

Particulars	Cost				Amortisation				Book Value	
	As at April 01, 2020	Additions	Deductions	As at March 31, 2021	As at April 01, 2020	For the year	Deductions	As at March 31, 2021	As at March 31, 2021	As at March 31, 2020
Specialised Software	1,30,390	-	-	1,30,390	86,927	43,463	-	1,30,390	-	43,463
Toll collection rights	5,06,72,17,401	-	-	5,06,72,17,401	3,38,53,49,330	28,42,59,398	-	3,66,96,08,728	1,39,76,08,673	1,68,18,68,071
Total	**5,06,73,47,791**	**-**	**-**	**5,06,73,47,791**	**3,38,54,36,257**	**28,43,02,861**	**-**	**3,66,97,39,118**	**1,39,76,08,673**	**1,68,19,11,534**
Previous year(in Rs.)	*5,06,73,47,791*	-	-	*5,06,73,47,791*	*3,09,70,71,264*	*28,83,64,993*	-	*3,38,54,36,257*	1,68,19,11,534	1,97,02,76,527

2.1 Disclosure of Material Intangible Asset

2.1.1 Toll collection rights of widening of existing two-lane of 10 kilometers Road stretch covering Panipat City on National Highway No.1 in the state of Haryana

Particulars	Remaining Amortization Period (Years)
As at March 31, 2021	4.92
As at March 31, 2020	5.92

2.2 There is no restriction on title of Tolling rights.

2.3 There is no contractual commitment on acquisition of Tolling rights.

Panipat Elevated Corridor Limited

Notes forming parts of accounts as at and for the year ended on 31st March, 2021

1) Property, Plant and Equipment

Particulars	Cost				Depreciation				Book Value	
	As at April 01, 2019	Additions	Deductions	As at March 31, 2020	As at April 01, 2019	For the year	Deductions	As at March 31, 2020	As at March 31, 2020	As at April 01, 2019
Owned										
Land	12,99,680	-	-	12,99,680	-	-	-	-	12,99,680	12,99,680
Plant and Equipment	92,28,834	10,92,282	4,16,037	99,05,079	59,26,366	9,04,832	4,09,783	64,21,415	34,83,664	33,02,468
Furniture and fixtures	7,42,397	-	-	7,42,397	6,22,281	21,043	-	6,43,324	99,073	1,20,116
Vehicles	20,31,339	6,09,176	1,13,186	25,27,329	11,81,893	2,39,154	1,13,186	13,07,861	12,19,468	8,49,446
Office equipment	7,10,922	13,570	3,584	7,20,908	1,95,144	1,44,265	3,584	3,35,825	3,85,083	5,15,778
Electrical installations	4,21,427	-	-	4,21,427	3,08,533	83,324	-	3,91,857	29,570	1,12,894
Computers, laptops and printers	5,18,592	1,66,309	87,638	5,97,263	2,54,438	1,91,783	71,190	3,75,031	2,22,232	2,64,154
Total	**1,49,53,191**	**18,81,337**	**6,20,445**	**1,62,14,083**	**84,88,655**	**15,84,401**	**5,97,743**	**94,75,313**	**67,38,770**	**64,64,536**
Previous year	*1,30,45,456*	*27,67,445*	*8,59,710*	*1,49,53,191*	*76,08,145*	*16,81,470*	*8,00,960*	84,88,655	64,64,536	54,37,311

2) Capital work-in-progress

Particulars	Cost			
	As at April 01, 2019	Additions	Deductions	As at March 31, 2020
Capital work in progress	54,58,200	95,04,756	-	1,49,62,956
Total	**54,58,200**	**95,04,756**	**-**	**1,49,62,956**
Previous year	-	*54,58,200*		*54,58,200*

1.1 *There is no restriction on title of property, plant and equipments.*

1.2 *There is no contractual commitment on acquition of property, plant and equipments.*

2) Intangible Assets

Particulars	Cost				Amortisation				Book Value	
	As at April 01, 2019	Additions	Deductions	As at March 31, 2020	As at April 01, 2019	For the year	Deductions	As at March 31, 2020	As at March 31, 2020	As at April 01, 2019
Specialised Software	1,30,390	-	-	1,30,390	43,463	43,464	-	86,927	43,463	86,927
Toll collection rights	5,06,72,17,401	-	-	5,06,72,17,401	3,09,70,27,801	28,83,21,529	-	3,38,53,49,330	1,68,18,68,071	1,97,01,89,600
Total	**5,06,73,47,791**	**-**	**-**	**5,06,73,47,791**	**3,09,70,71,264**	**28,83,64,993**	**-**	**3,38,54,36,257**	**1,68,19,11,534**	**1,97,02,76,527**
Previous year	*5,06,72,17,401*	*1,30,390*	-	*5,06,73,47,791*	*2,80,87,07,390*	*28,83,63,874*	-	*3,09,70,71,264*	1,97,02,76,527	2,25,85,10,011

2.1 Disclosure of Material Intangible Asset

2.1.1 Toll collection rights of widening of existing two-lane of 10 kilometers Road stretch covering Panipat City on National Highway No.1 in the state of Haryana

Particulars	Remaining Amortization Period (Years)
As at March 31, 2020	5.92
As at March 31, 2019	6.92

2.2 There is no restriction on title of Tolling rights.

2.3 There is no contractual commitment on acquition of Tolling rights.

Panipat Elevated Corridor Limited
Notes forming parts of accounts as at and for the year ended on 31st March, 2021

3) Loans

Particulars	March 31, 2021 Current ₹	March 31, 2021 Non-current ₹	March 31, 2021 Total ₹	March 31, 2020 Current ₹	March 31, 2020 Non-current ₹	March 31, 2020 Total ₹
Security deposits						
Unsecured, considered good	-	11,85,751	11,85,751	-	7,51,881	7,51,881
	-	**11,85,751**	**11,85,751**	**-**	**7,51,881**	**7,51,881**

4) Other Financial assets

Particulars	March 31, 2021 Current ₹	March 31, 2021 Non-current ₹	March 31, 2021 Total ₹	March 31, 2020 Current ₹	March 31, 2020 Non-current ₹	March 31, 2020 Total ₹
Contract Asset	1,43,66,650	-	1,43,66,650	-	-	-
Other receivable	4,76,801	-	4,76,801	8,000	-	8,000
	1,48,43,451	**-**	**1,48,43,451**	**8,000**	**-**	**8,000**

5 Other non-current and current assets

Particulars	March 31, 2021 Current ₹	March 31, 2021 Non-current ₹	March 31, 2021 Total ₹	March 31, 2020 Current ₹	March 31, 2020 Non-current ₹	March 31, 2020 Total ₹
Advance recoverable other than in cash						
Prepaid Insurance	52,47,698	-	52,47,698	12,26,881	-	12,26,881
Prepaid expenses	1,21,763	-	1,21,763	69,690	-	69,690
Gratuity plan asset	4,01,128.00	-	4,01,128.00	-	-	-
Leave Encashment Plan asset	1,04,104.00	-	1,04,104.00	-	-	-
Balances with Govt Authority	17,23,998.00	-	17,23,998.00	-	-	-
Covid Claim Receivable	-	4,09,83,618	4,09,83,618			
	75,98,691	**4,09,83,618**	**4,85,82,309**	**12,96,571**	**-**	**12,96,571**

6 Current Tax Asset

Particulars	March 31, 2021 Current ₹	March 31, 2021 Non-current ₹	March 31, 2021 Total ₹	March 31, 2020 Current ₹	March 31, 2020 Non-current ₹	March 31, 2020 Total ₹
Income tax						
Income tax net of provisions	2,46,954		2,46,954	7,31,296		7,31,296
	2,46,954	**-**	**2,46,954**	**7,31,296**	**-**	**7,31,296**

Panipat Elevated Corridor Limited

Notes forming parts of accounts as at and for the year ended on 31st March, 2021

7) Investments

Particulars	As at March 31, 2021 Current ₹	As at March 31, 2020 Current ₹
Investments at fair value through Profit and loss		
Investments in mutual funds	-	30,93,641
	-	**30,93,641**
Aggregate book value of investments	-	30,92,581
Aggregate market value of investments	-	30,93,641

The balances held in liquid mutual funds as at March 31, 2021 and as at March 31, 2020 are as follows:

Particulars	Units	₹
As at March 31, 2020		
IDFC Overnight Funds Regular Plan Growth (NAV - 1064.1840)	2,907.05	30,93,641
	2,907.05	**30,93,641**

8) Cash and cash equivalents

Particulars	As at March 31, 2021 Current ₹	As at March 31, 2020 Current ₹
Cash and Cash Equivalents		
a) Balances with banks	58,15,961	32,38,734
b) Cash on hand	10,67,353	16,20,125
	68,83,314	**48,58,859**

8(a)) Other Bank Balances

Particulars	As at March 31, 2021 Current ₹	As at March 31, 2020 Current ₹
c) Fixed deposits with banks including interest accrued thereon	1,43,702	1,35,466
	1,43,702	**1,35,466**

Panipat Elevated Corridor Limited
Notes forming parts of accounts as at and for the year ended on 31st March, 2021

9 Share Capital

(i) Authorised, issued, subscribed and paid up

Particulars	March 31, 2021		March 31, 2020	
	No. of shares	**₹**	**No. of shares**	**₹**
Authorised:				
Authorised Share Capital	14,50,00,000	1,45,00,00,000	14,50,00,000	1,45,00,00,000
	14,50,00,000	**1,45,00,00,000**	**14,50,00,000**	**1,45,00,00,000**
Issued, subscribed and fully paid up :				
Equity shares of ` 10 each	3,00,46,606	30,04,66,060	3,00,46,606	30,04,66,060
	3,00,46,606	**30,04,66,060**	**3,00,46,606**	**30,04,66,060**

(ii) Reconciliation of the number of equity shares and share capital issued, subscribed and paid-up:

Particulars	March 31, 2021		March 31, 2020	
	No. of shares	**₹**	**No. of shares**	**₹**
At the beginning of the year	3,00,46,606	30,04,66,060	3,00,46,606	30,04,66,060
Issued during the year as fully paid	-	-	-	-
At the end of the year	**3,00,46,606**	**30,04,66,060**	**3,00,46,606**	**30,04,66,060**

(iii) Terms / rights attached to shares
Equity shares of ₹ 10 each

The Company has only one class of equity share having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share.

The Company has not issued any securities during the year with the right/option to convert the same into equity shares at a later date.

The Company has not reserved any shares for issue under options and contracts/commitments for the sale of shares/disinvestment.

The shares issued carry equal rights to dividend declared by the company and no restrictions are attached to any specific shareholder.

During the year no dividend has been declared

(iv) Details of Shares held by Holding Company/Ultimate Holding Company/its subsidiaries or associates:

Particulars	March 31, 2021		March 31, 2020	
	No. of shares	**₹**	**No. of shares**	**₹**
Holding Company				
L&T Infrastructure Development Projects Limited (including its nominees)				
Equity shares of ₹ 10 each	3,00,46,604	30,04,66,040	3,00,46,604	30,04,66,040
	3,00,46,604	**30,04,66,040**	**3,00,46,604**	**30,04,66,040**

(v) Details of Shareholders holding more than 5% shares in the company:

Particulars	March 31, 2021		March 31, 2020	
	No. of shares	**%**	**No. of shares**	**%**
L&T Infrastructure Development Projects Limited (including its nominees)				
Equity shares of ₹ 10 each	3,00,46,604	99.99%	3,00,46,604	99.99%

(vi) Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date: NIL

(vii) Calls unpaid : NIL; Forfeited Shares : NIL

Panipat Elevated Corridor Limited
Notes forming parts of accounts as at and for the year ended on 31st March, 2021

10 Other equity as on 31.03.2021

Particulars	Equity component of compound financial instruments	Reserves & Surplus		Total `
		Debenture Redemption Reserve	Retained earnings	
Balance at the beginning of the reporting period	6,43,86,975	13,23,10,833	(3,24,20,09,008)	**(3,04,53,11,200)**
Loss for the Year		-	(28,22,91,947)	**(28,22,91,947)**
Other comprehensive income			6,89,713	**6,89,713**
Transfer from / (to) debenture redemption reserve			-	-
Balance at the end of the reporting period	**6,43,86,975**	**13,23,10,833**	**(3,52,36,11,242)**	**(3,32,69,13,434)**

Debenture Redemption Reserve:
The company has issued redeemable non convertible debentures. Accordingly, the companies (share capital and debenture) Rules, 2014(as amended), require the company to create Debenture Redemption Reserve (DRR) out of the profits of the company available for payment of dividend. DRR is required to be created for an amount which is equal to 10% of the value of the outstanding debentures. As the company has no profit for creation of DRR and existing DRR is more than required 10%., no additional DRR is created during the year.

Other equity as on 31.03.2020

Particulars	Equity component of compound financial instruments	Reserves & Surplus		Total `
		Debenture Redemption Reserve	Retained earnings	
Balance at the beginning of the reporting period	6,43,86,975	-	(3,24,18,74,922)	**(3,17,74,87,947)**
Profit for the Year			13,23,10,833	**13,23,10,833**
Other comprehensive income			(1,34,086)	**(1,34,086)**
Transfer from / (to) debenture redemption reserve		13,23,10,833	(13,23,10,833)	-
Balance at the end of the reporting period	**6,43,86,975**	**13,23,10,833**	**(3,24,20,09,008)**	**(3,04,53,11,200)**

11 Borrowings

Particulars	March 31, 2021 Current	March 31, 2021 Non current	March 31, 2021 Total	March 31, 2020 Current	March 31, 2020 Non current	March 31, 2020 Total
	₹	₹	₹	₹	₹	₹
Secured borrowings						
a) Debentures	-	1,00,00,00,000	1,00,00,00,000	-	1,25,00,00,000	1,25,00,00,000
Unsecured borrowings						
a) Loans from related parties	1,83,74,10,885	-	1,83,74,10,885	1,07,04,10,885	-	1,07,04,10,885
b) Deferred payment liabilities	-	50,81,15,805	50,81,15,805	-	77,80,39,410	77,80,39,410
	1,83,74,10,885	1,50,81,15,805	3,34,55,26,690	1,07,04,10,885	2,02,80,39,410	3,09,84,50,295

Particulars	Effective interest rate	Terms of Repayment			
Deferred payment liabilities	11.52%	Deferred Payment Liabilities represent the outstanding Negative Grant payable to National Highway Authority of India (NHAI) as per Concession Agreement			
		During the year Deferrment agreement has been signed between the concessionaire and NHAI. Negative Grant Payment will be payable as per the deferment agreement.			
		Amount	**Current maturities**	**Non-current maturities**	**Redemption**
		(₹ Crore)	**(₹ Crore)**	**(₹ Crore)**	**Date**
		99.25	0.00	99.25	29-Oct-23
		9.54	0.00	9.54	31-Jan-26
		108.79	**0.00**	**108.79**	
Debentures	10.56%	**(₹ Crore)**	**(₹ Crore)**	**(₹ Crore)**	**Date**
		30.00	0.00	30.00	17-Apr-24
Series "L" of 2012-13		40.00	0.00	40.00	17-Apr-23
Series "K" of 2012-13		30.00	0.00	30.00	15-Apr-22
Series "J" of 2012-13		25.00	25.00	0.00	16-Apr-21

Loans from related parties	Effective interest rate	Terms of Repayment	Amount (₹ Crore)
IDPL	**G sec Rate**	**Repayable on Demand**	62.04
TIL	**Interest free**	**Repayable on Demand**	45.00
VBTL	**Interest free**	**Repayable on Demand**	76.70

Loans from related parties are unsecured Loans repayable on demand

Security for the Non Convertible Debentures (NCD's):

Non-Convertible Debentures rank pari passu inter se lenders and are secured by a) a first mortgage and charge on the land including buildings and erections in Pune; b)all amounts receivable ; c)all assets both tangible and intangible other than Project assets; d) all bank accounts

12 Other financial liabilities

Particulars	March 31, 2021 Current ₹	March 31, 2021 Non current ₹	March 31, 2021 Total ₹	March 31, 2020 Current ₹	March 31, 2020 Non current ₹	March 31, 2020 Total ₹
a) Interest accrued						
From Related parties	18,34,48,882	-	18,34,48,882	16,35,40,473		16,35,40,473
From Others	4,51,37,215		4,51,37,215	91,25,227		91,25,227
b) Current Maturity of Long term borrowings	25,00,00,000	-	25,00,00,000	25,00,00,000	-	25,00,00,000
c)Other liabilities	2,18,62,204		2,18,62,204	3,11,88,494		3,11,88,494
d)Deferred payment liabilities	41,93,15,136		41,93,15,136	66,24,00,000		66,24,00,000
	91,97,63,437	-	91,97,63,437	1,11,62,54,194	-	1,11,62,54,194

13 Provisions

Particulars	March 31, 2021 Current ₹	March 31, 2021 Non current ₹	March 31, 2021 Total ₹	March 31, 2020 Current ₹	March 31, 2020 Non current ₹	March 31, 2020 Total ₹
a) Provision for employee benefits	20,669	-	20,669	1,68,059	2,77,707	4,45,766
b) Provisions for major maintenance reserve	13,03,84,973	8,32,76,751	21,36,61,724	18,78,73,379	3,74,78,279	22,53,51,658
	13,04,05,642	8,32,76,751	21,36,82,393	18,80,41,438	3,77,55,986	22,57,97,424

14 Other liabilities

Particulars	March 31, 2021 Current ₹	March 31, 2021 Non current ₹	March 31, 2021 Total ₹	March 31, 2020 Current ₹	March 31, 2020 Non current ₹	March 31, 2020 Total ₹
i) Company owned car scheme	2,09,175	-	2,09,175	2,09,175	-	2,09,175
ii) Other liabilities	13,67,379	-	13,67,379	13,67,379	-	13,67,379
iii) Statutory payables	9,64,663	-	9,64,663	26,62,008	-	26,62,008
iv) Security deposits	-		-	8,000	-	8,000
	25,41,217	-	25,41,217	42,46,562	-	42,46,562

15 Trade payables

Particulars	March 31, 2021 Current ₹	March 31, 2021 Non current ₹	March 31, 2021 Total ₹	March 31, 2020 Current ₹	March 31, 2020 Non current ₹	March 31, 2020 Total ₹
A) Total Outstanding dues to Micro and Small enterprise *						
B) Total Outstanding dues to others		-	-		-	-
Due to related parties	80,90,009		80,90,009	61,63,341		61,63,341
Due to others	1,20,91,078	-	1,20,91,078	84,22,298	-	84,22,298
	2,01,81,087	-	2,01,81,087	1,45,85,639	-	1,45,85,639

* As per intimation available with the Company , there are no micro and small enterprises as defined in the Micro , Small and Medium Enterprise Development Act , 2006 to whom the Company owes dues on account of principal amount together with interest and accordingly no related additional disclosure have been made.

F Contingent Liabilities

Contingent liabilities in the form of guarantees of ₹ Nil/- (*previous year: ₹ Nil/-*) as at March 31, 2021.

G Commitments

The Company has an estimated amount of ₹ *NIL* (*Previous year: ₹ 32919661*) contracts remaining to be executed on capital account as at March 31, 2021.

Panipat Elevated Corridor Limited
Notes forming parts of accounts as at and for the year ended on 31st March, 2021

16 Revenue from operations

Particulars	2020-21		2019-20	
	₹	₹	₹	₹
Operating revenue:				
Toll Collections	44,69,13,157		79,19,86,601	
(Refer Note -H-18 (b))		44,69,13,157		79,19,86,601
		44,69,13,157		**79,19,86,601**

Other income

Particulars	2020-21		2019-20	
	₹	₹	₹	₹
Interest income from:				
Bank deposits	8,261		10,211	
Others	11,877		2,972	
		20,138		13,183
Short term gain on sale of current investment (MF)		3,13,038		15,23,280
Profit/(loss) on disposal of Property Plant and Equipments		13,552		4,44,358
Scrap Sales		2,04,939		3,70,582
Demonitisation Claim received		-		1,48,63,289
Modification gain on Financial Liability (Refer note H(10))		3,24,40,181		18,02,47,233
COS -income		1,63,94,150		-
		4,93,85,998		**19,74,61,925**

18 Operating expenses

Particulars	2020-21		2019-20	
	₹	₹	₹	₹
Toll Management fees		2,02,11,892		2,56,08,682
Security services		1,10,41,223		1,19,17,171
Insurance		1,01,19,308		41,96,662
Concession fee		1		1
Repairs and maintenance				
Toll road & bridge	3,74,13,680		1,86,95,307	
Plant and machinery	83,54,230		81,19,047	
Periodic major maintenance	4,16,38,372		3,74,78,279	
Others	64,75,152		58,13,415	
		9,38,81,434		7,01,06,048
Power and fuel		98,64,709		1,01,82,213
Less : Claim to NHAI * (Refer H-18)		(78,39,897)		
		13,72,78,670		**12,20,10,777**

19 Employee benefit expenses

Particulars	2020-21		2019-20	
	₹	₹	₹	₹
Salaries, wages and bonus		1,30,33,068		1,38,21,272
Contributions to and provisions for:				
Provident fund	6,86,116		6,89,248	
Gratuity	2,47,069		4,96,556	
Compensated absences	3,15,420		7,63,356	
Retention pay	3,97,557		3,11,172	
Others	30,500			
		16,76,662		22,60,332
Sitting Fees paid to Directors		5,25,100		3,06,800
Staff welfare expenses		19,05,937		27,67,681
Less : Claim to NHAI * (Refer H-18)		(12,09,553)		
		1,59,31,214		**1,91,56,085**

20 Finance costs

Particulars	2020-21		2019-20	
	₹	₹	₹	₹
Interest on NCD / ICD to holding company		16,29,15,589		19,14,41,095
Interest on deferred premium		3,88,34,115		3,04,20,171
Other borrowing cost		3,32,423		2,83,381
Unwinding of discount and implicit interest expense on fair value		14,13,02,484		19,19,08,662
Less : Claim to NHAI * (Refer H-18)		(1,26,21,018)		
		33,07,63,593		**41,40,53,309**

21 Administration and other expenses

Particulars	2020-21		2019-20	
	₹	₹	₹	₹
Rent, Rates and taxes		2,27,470		2,69,176
Professional fees		80,07,873		73,08,760
Postage and communication		8,35,596		6,98,523
Printing and stationery		2,51,383		2,56,260
Travelling and conveyance		15,36,046		24,77,207
Repairs and Maintenance - Others		4,50,506		5,46,807
Miscellaneous expenses		3,77,319		4,11,395
Less : Claim to NHAI * (Refer H-18)		(5,70,772)		-
		1,11,15,421		**1,19,68,128**

(a) Professional fees includes Auditors remuneration (including GST) as follows:

Particulars	2020-21	2019-20
	₹	₹
a) As auditor	3,23,320	3,23,320
b) For taxation matters	1,48,680	1,49,670
c) For other services	1,77,000	2,47,400
Total	**6,49,000**	**7,20,390**

Panipat Elevated Corridor Limited

H) Notes forming parts of accounts as at and for the year ended on 31st March, 2021

1 Corporate Information

Panipat Elevated Corridor Limited (Fomerly known as L&T Panipat Elevated Corridor Limited) is a special purpose vehicle incorporated on July 21, 2005 for the purpose of widening of existing four-lane ten kilometer stretch to six lane elevated structure covering Panipat city on National Highway No.1 in the state of Haryana. The elevated structure covering specific stretches and widening and construction of peripheral lanes and operation and maintenance thereof, under the Concession Agreement dated 27th July, 2005 with National Highways Authority of India (NHAI). The Concession Agreement is for a period of 20 years from 23rd January 2006, being the Appointed Date stated in clause 1.1 of the said agreement. At the end of the concession period, the entire facility will be transferred to NHAI.

2 Disclosure pursuant to Ind AS 19 "Employee benefits": (as per IndAS reports)

(i) Defined contribution plan:

The Company's provident fund and super annuation fund are the defined contribution plans. The Company is required to contribute a specified percentage of payroll costs to the recognised provident fund and Life Insurance Corporation of India respectively to fund the benefits. The only obligation of the Company with respect to these plans is to make the specified contributions.

An amount of ₹ 6,86,116 (previous year : ₹ 6,89,248/-) being contribution made to recognised provident fund is recognised as expense and included under Employee benefit expense (Note 19) in the Statement of Profit and loss.

(ii) Defined benefit plans:

a) Features of its defined benefit plans:

i) **Gratuity:**

The benefit is governed by the Payment of Gratuity Act, 1972. The Key features are as under:

Plan Features

Features of the defined benefit plan	Remarks
Benefit offered	15 / 26 × Salary × Duration of Service
Salary definition	Last Drawn Basic Salary including Dearness Allowance (if any)
Benefit ceiling	Benefit ceiling of Rs. 20,00,000 was not applied
Vesting conditions	5 years of continuous service (Not applocable in case of death / disability
Benefit eligibility	Upon Death or Resignation / Withdrawal or Retirement
Retirement age	58 years

ii) The company is responsible for governance of the plan.

iv) Risk to the Plan

Following are the risk to which the plan exposes the entity :

A **Actuarial Risk:**

It is the risk that benefits will cost more than expected. This can arise due to one of the following reasons:

Adverse Salary Growth Experience: Salary hikes that are higher than the assumed salary escalation will result into an increase in Obligation at a rate that is higher than expected.

Variability in mortality rates: If actual mortality rates are higher than assumed mortality rate assumption than the Gratuity benefits will be paid earlier than expected. Since there is no condition of vesting on the death benefit, the acceleration of cashflow will lead to an actuarial loss or gain depending on the relative values of the assumed salary growth and discount rate.

Variability in withdrawal rates: If actual withdrawal rates are higher than assumed withdrawal rate assumption than the Gratuity benefits will be paid earlier than expected. The impact of this will depend on whether the benefits are vested as at the resignation date.

B **Investment Risk:**

For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.

C **Liquidity Risk:**

Employees with high salaries and long durations or those higher in hierarchy, accumulate significant level of benefits. If some of such employees resign / retire from the company there can be strain on the cashflows.

D **Market Risk:**

Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits & vice versa. This assumption depends on the yields on the corporate / government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.

E **Legislative Risk:**

Legislative risk is the risk of increase in the plan liabilities or reduction in the plan assets due to change in the legislation / regulation. The government may amend the Payment of Gratuity Act thus requiring the companies to pay higher benefits to the employees. This will directly affect the present value of the Defined Benefit Obligation and the same will have to be recognized immediately in the year when any such amendment is effective.

b) **The amounts recognised in Balance Sheet are as follows:**

Particulars	**Gratuity plan**	
	As at March 31, 2021	**As at March 31, 2020**
	₹	**₹**
Present value of defined benefit obligation		
- Wholly funded	8,73,790	13,48,397
- Wholly unfunded	-	
	8,73,790	13,48,397
Less : Fair value of plan assets	12,74,918	12,01,338
Net Liability / (asset)	**(4,01,128)**	**1,47,059**

c) **The amounts recognised in the Statement of Profit and loss are as follows:**

Particulars	**Gratuity plan**	
	As at March 31, 2021	**As at March 31, 2020**
	₹	**₹**
Current service cost	2,44,378	5,25,715
Interest on Defined benefit obligation	2,691	(29,159)
Administration expenses	-	-
Past service cost and loss/(gain) on curtailments and settlement	-	-
Net value of remeasurements on the obligation and plan assets	-	-
Total Charge to Statement of Profit and Loss	2,47,069	4,96,556

d) Other Comprehensive Income for the period

Particulars	Gratuity plan	
	As at March 31, 2021	As at March 31, 2020
	₹	₹
Components of actuarial gain/losses on obligations:		
From changes in demographic assumptions	-	(255)
From changes in financial assumptions	34,088	18,849
From changes in experience	(7,36,770)	1,39,833
Return on plan assets excluding amounts included in interest income	12,969	(24,341)
Amounts recognized in Other Comprehensive Income	**(6,89,713)**	**1,34,086**

e) Reconciliation of Defined Benefit Obligation:

Particulars	Gratuity plan	
	As at March 31, 2021	As at March 31, 2020
	₹	₹
Opening balance of the present value of defined benefit obligation	13,48,397	7,09,361
Add: Current service cost	2,44,378	5,25,715
Add: Interest cost	89,724	48,298
Add/(less): Actuarial losses/(gains)	(7,02,682)	1,58,427
Less: Benefits paid	(1,06,027)	(93,404)
Add: Past service cost	-	-
Closing balance of the present value of defined benefit obligation	**8,73,790**	**13,48,397**

f) Reconciliation of Plan Assets:

Particulars	Gratuity plan	
	As at March 31, 2021	As at March 31, 2020
	`	`
Opening value of plan asset	12,01,338	10,52,215
Interest Income	87,033	77,457
Administrative expenses		
Return on plan assets excluding amounts included in interest income	(12,969)	24,341
Contributions by employer	1,05,543	1,40,729
Benefit Paid	(1,06,027)	(93,404)
Closing value of plan assets	**12,74,918**	**12,01,338**

g) Reconciliation of Net Defined Beneft Liability:

Particulars	Gratuity plan	
	As at March 31, 2021	As at March 31, 2020
	`	`
Net opening provision in books of accounts	1,47,059	(3,42,854)
Employee Benefit Expense	2,47,069	4,96,556
Amounts recognized in Other Comprehensive Income	(6,89,713)	1,34,086
	(2,95,585)	2,87,788
Benefits paid by the Company	-	
Contributions to plan assets	(1,05,543)	(1,40,729)
Closing provision in books of accounts	**(4,01,128)**	**1,47,059**

h) Principal actuarial assumptions at the Balance Sheet date:

Particulars	Gratuity plan	
	As at March 31, 2021	As at March 31, 2020
1) Discount rate	6.50%	6.95%
2) Salary growth rate	6.00%	6.00%
3) Attrition rate	15% at younger ages reducing to 3% at older ages	15% at younger ages reducing to 3% at older ages

i) **A quantitative sensitivity analysis for significant assumption as at 31 March 2021**

Particulars	**Gratuity Plan**	
	Change in Assumptions	**on Defined Benefit Ob**
	Increase/(Decrease)	**se/(Decrease) in Assum**
	%	`
Discount Rate	0.50%	8,36,051
	-0.50%	9,14,466
Salary Growth Rate	0.50%	9,14,466
	-0.50%	8,35,707

j) The expected contributions to the defined benefit plan in the next annual reporting period (March 31, 2021) is ` 1,14,795/-

k) The major categories of plan assets of the fair value of the total plan assets are as follows :

Particulars	**As at March 31, 2021**	**As at March 31, 2020**
Insurer managed funds	100%	100%
Investments quoted in active markets	-	-
Cash and cash equivalents	-	-
Unquoted investments	-	-
Total	100%	100%

l) **Details of Asset-Liability Matching Strategy**

There are no minimum funding requirements for a Gratuity benefits plan in India and there is no compulsion on the part of the Company to fully or partially pre-fund the liabilities under the Plan.

The trustees of the plan have outsourced the investment management of the fund to an insurance company. The insurance company in turn manages these funds as per the mandate provided to them by the trustees and the asset allocation which is within the permissible limits prescribed in the insurance regulations. Due to the restrictions in the type of investments that can be held by the fund, it may not be possible to explicitly follow an asset-liability matching strategy to manage risk actively in a conventional fund.

3) Disclosure pursuant to Ind AS 23 "Borrowing Costs"

Borrowing cost capitalised during the year ₹ Nil. (*previous year :₹ Nil*).

Panipat Elevated Corridor Limited

H) Notes forming parts of accounts as at and for the year ended on 31st March, 2021

4) Disclosure of segment information pursuant to Ind AS 108 "Operating Segments"

The Company is engaged in the business of construction, operation and maintenance of Toll road projects on a Build Operate Transfer basis in a single business segment. Hence reporting on primary segment does not arise. The Company does not have operations outside India. Hence, disclosure of secondary / geographical segment information does not arise.

5) Disclosure of related parties / related party transactions pursuant to Ind AS 24 "Related Party Disclosures"

a) List of related parties

Ultimate Holding Company :	Larsen & Toubro Limited	
Holding Company :	L&T Infrastructure Development Projects Limited	
Fellow Subsidiaries :		
	Vadodara Bharuch Tollway Limited	
	Ahmedabad - Maliya Tollway Limited	
	L&T Halol Shamlaji Tollway Limited	
Key Managerial Personnel		
Manager	Mr. Gyan Prakash Sharma	Up to 12th Aug 2020
	Mr. Amit Chanda	From 1st Sep 2020 to 30th Nov 2020
Chief Financial Officer	Mr. Vinayak Shankar	Up to 15th June 2020
	Ms. Kothari Pooja Jain	w.e f 07th Oct, 2020
Independent Director	Mr Ashwin Mahalingam	
Independent Director	Mr N Raghavan	

b) Disclosure of related party transactions:

Particulars	2020-21	2019-20
	₹	₹
Nature of transaction		
1 **Purchase of goods and services incl. taxes**		
Ultimate Holding company Larsen & Toubro Limited	25,58,499	22,78,353
Holding company L&T Infrastructure Development Projects Limited		-
Fellow subsidiary :		
Vadodara Bharuch Tollway Limited	-	15,189
	25,58,499	22,93,542
2 **Sale of goods and services incl. taxes**		
Fellow subsidiary :		
Ahmedabad - Maliya Tollway Limited	-	22,727
Vadodara Bharuch Tollway Limited	-	81,810
L&T Interstate Road Corridor Limited	-	1,31,110
L&T Samakhiali Gandhidham Tollway Ltd	-	1,05,763
	-	3,41,410
3 **Sale of assets**		
Fellow subsidiary :		
L&T Halol Shamlaji Tollway Limited	4,456	-
L&T Samakhiali Gandhidham Tollway Ltd	2,950	-
Vadodara Bharuch Tollway Limited	11,800	13,631
	19,206	13,631
4 **Purchase of assets**		
L&T Interstate Road Corridor Limited	-	36,804
L&T Rajkot Vadinar Tollway Limited	26,471	
L&T Samakhiali Gandhidham Tollway Ltd	15,595	
L&T Sambalpur Rourkela Tollway Limited	11,139	
	53,205	36,804
5 **Reimbursement of expenses to**		
L&T Halol Shamlaji Tollway Limited	3,97,557	-
6 **Reimbursement of expenses from**		
L&T Samakhiali Gandhidham Tollway Ltd	45,000	-
7 **Interest Expenses**		
Holding company L&T Infrastructure Development Projects Limited	16,29,15,589	19,14,41,095
	16,29,15,589	19,14,41,095
8 **Inter corporate deposit received**		
Holding company L&T Infrastructure Development Projects Limited	-	88,50,00,000
Fellow subsidiaries :		
Vadodara Bharuch Tollway Limited	97,80,00,000	-
L&T Transportation Infrastructure Limited	-	45,00,00,000
	97,80,00,000	1,33,50,00,000

Particulars	2020-21	2019-20
	₹	₹
9 **Inter corporate deposit repaid**		
Holding company L&T Infrastructure Development Projects Limited	-	41,60,89,115
Fellow subsidiaries :		
Vadodara Bharuch Tollway Limited	21,10,00,000	-
	21,10,00,000	41,60,89,115
# **Non-Convertible Debenture paid**		
Holding company L&T Infrastructure Development Projects Limited	25,00,00,000	20,00,00,000
	25,00,00,000	20,00,00,000

c) Amount due to and due from related parties(net):

(Amount in ₹)

Particulars	Amounts due (to)/from	
	As at March 31, 2021	**As at March 31, 2020**
Ultimate Holding Company		
Larsen & Toubro Limited	(80,90,009)	(63,51,842)
Holding Company		
L&T Infrastructure Development Projects Limited		
Debentures including Interest	(1,37,78,06,741)	(1,63,63,27,871)
ICD Including Interest	(67,60,53,026)	(64,76,23,488)
Current account (Net)	1,88,501	1,88,501
Fellow Subsidiaries		
L&T Transportation Infrastructure Limited	(45,00,00,000)	(45,00,00,000)
Vadodara Bharuch Tollway Limited	(76,70,00,000)	-
L&T Halol Shamlaji Tollway Limited	(3,97,557)	-
L&T Samakhiali Gandhidham Tollway Ltd	45,000	-

d) Terms and conditions of transactions with related parties

The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended 31 March 2021, the company has not recorded any impairment of receivables relating to amounts owed by related parties (31 March 2020: ₹ Nil,). 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.

e) Since there are no receivables due from reated parties, no provision for bad and doubtful debts has been made and no expense has been recognized in relation to the said bad and doubtful debts.

f) Compensation of Key Management personnel of the company

(Amount in ₹)

Particulars	As at March 31, 2021	As at March 31, 2020
Short term employee benefits	21,30,163	20,52,000
Sitting fee to Independent Directors	4,45,000	2,40,000

Panipat Elevated Corridor Limited

H) Notes forming parts of accounts as at and for the year ended on 31st March, 2021

6) Disclosure pursuant to Ind AS 12 - "Income taxes"

The company is not required to pay current income tax due to tax loss as determined in accordance with the Income Tax Act, 1961.

7) Disclosure pursuant to Ind AS 33 "Earnings per share"

Basic and Diluted Earnings per share (EPS) computed in accordance with Ind AS 33 “Earnings per share”.

Particulars		31-03-2021	31-03-2020
		₹	₹
Basic earnings per equity share:			
Profit for the year attributable to owners of the Company for calculating basic earnings per share (₹)	A	(28,16,02,234)	13,21,76,747
Weighted average number of equity shares outstanding for calculating basic earnings per share	B	3,00,46,606	3,00,46,606
Basic earnings per equity share/DPS (₹)	A / B	(9.37)	4.40
Face value per equity share (₹)		10.00	10.00

Potential equity shares that will arise on conversion of Compulsary Convertible Cumulative Preference Shares are resulting into anti dilution of EPS in the current year. Hence they have not been considered in the computation of diluted EPS in accordance with Ind AS 33 “Earnings Per Share.”

8) Disclosure pursuant to Ind AS 36 "Impairment of Assets"

Based on a review of the future discounted cash flows of the project facility, the recoverable amount is higher than the carrying amount and hence no provision for impairment is made for the year.

9) Disclosures as per Ind AS 37 - "Provisions, Contingent Liabilities and Contingent assets "

a) Nature of provisions:

The company is required to operate and maintain the project highway during the entire concession period and hand over the project back to the Authority (NHAI) as per the maintenance standards prescribed in Concession agreement.

For this purpose, a regular maintenance along with periodic maintenances is required to be performed. Normally periodic maintenance includes resurface of pavements, repairs of structures and other equipments and maintenance of service roads.

As per industry practice, the periodic maintenance is expected to occur after 5 years. The maintenance cost / bituminous overlay may vary based on the actual usage during maintenance period. Accordingly on the grounds of matching cost concept and based on technical estimates, a provision for major maintenance expenses is reviewed during the current year and is provided for in the accounts annually.

b) Movement in provisions:

Particulars	As at 31 March 2021	As at 31 March 2020
Opening balance	22,53,51,658	36,05,42,954
Additional provision	4,16,38,372	3,74,78,279
Utilised	-5,74,88,406	-17,26,69,575
Unwinding of discount and changes in discount rate	41,60,100	-
Closing balance	**21,36,61,724**	**22,53,51,658**

10) The obligation towards negative grant payable to NHAI is recognized as deferred payment liability when the Company, in its capacity of Concessionaire, becomes entitled to exercise the right and collect toll in accordance with the terms of the concession agreement on Commercial Operations Date. The total concession fee payable from the project completion date till the end of the concession period is capitalized as a part of cost of Toll Collection Rights under intangible assets under development on recognition of deferred payment liability. The deferred payment liability shall stand reduced based on actual payment towards additional concession fee payable to NHAI as and when the same is paid.

Also during 2018-19, the compnay has submitted its application for deferrment of negative garnt with NHAI ,which NHAI wide its letter dated 04.09.2017 has given its approval for deferrment subject to certain conditions which the company has taken up with NHAI.

During the year 2018-19 the company has received the deferrment approval for negative grant vide NHAI letter NHAI/11041/CGM(F)/3/2019/132497dated 25/03/2019 with the condition of repaying all the past liability due with interest.

Accordingly, company has paid the liability due with interest in April 2019 and Carrying Values of the Deferred payment Liabilities have been restated to give the impact of the deferrment agreement in the books of accounts in the year 2019-20. The Gain on restatement of the liability has been accounted in the profit and loss account for the year ended 31st March 2020

11) Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium, Other equity in form of Subordinate Debt and all other reserves attributable to the equity holders of the Company.

The Company’s objective for capital management is to maximize shareholder value and safeguard business continuity.

The Company determines the capital requirement based on annual operating plans and other strategic plans. The funding requirements are met through equity and operating cash flows generated.

Summary of Quantitative Data is given hereunder:

Particulars	**31-Mar-21**	**31-Mar-20**
	₹	**₹**
Equity	30,04,66,060	30,04,66,060
Other Equity	(3,32,69,13,434)	(3,04,53,11,200)
Total	**(3,02,64,47,374)**	**(2,74,48,45,140)**

The company does not have any externally imposed capital requirement.

12) Going Concern

The Company operates in the infrastructure business sector which involves huge capital investments.The company's net worth has been eroded. However we expects that the Company's revenue for the subsequent financial years will be sufficient to meet the expenditure and recoup the losses incurred thereby strengthening the financial position of the Company. Further, there is a continuing support from the holding company and company will be able to discharge all its obligations in foreseeable future. Accordingly, the financial statements have been prepared on going concern basis.

Panipat Elevated Corridor Limited

H) Notes forming parts of accounts as at and for the year ended on 31st March, 2021

13) Disclosure pursuant to Appendinx - D to Ind AS 115 - " Service Concession Arrangements"

i Description and classification of the arrangment

Panipat Elevated Corridor Limited is a special purpose vehicle incorporated on July 21, 2005 for the purpose of widening of existing four-lane ten kilometer stretch to six lane elevated structure covering Panipat city on National Highway No.1 in the state of Haryana. The elevated structure covering specific stretches and widening and construction of peripheral lanes and operation and maintenance thereof, under the Concession Agreement dated 27th July, 2005 with National Highways Authority of India (NHAI). The Concession Agreement is for a period of 20 years from 23rd January 2006, being the Appointed Date stated in clause 1.1 of the said agreement. At the end of the concession period, the entire facility will be transferred to NHAI.

ii Significant Terms of the arrangements

(a) Revision of Fees:
Fees shall be revised annually on17th July 19 as per Schedule G of the Concession Agreement dated July 27, 2005.

(b) Concession Fee
As per Article 7 of the Concession Agreement, the company is liable to pay Concession Fee ₹ 1 every year.

(C) Negative grant
As per Artilce 23 of the Concession Agreement the company is liable to pay ₹ 350.90 Crs to NHAI as per Negative grant schedule. During the Previous year, deferment agreement has been signed between NHAI and the company.

iii Rights of the Company for use Project Highway

a To demand, collect and appropriate, Fee from vehicles and person liable for payment of Fee for using the Project Highway or any part thereof and refuse entry of any vehicle if the Fee due is not paid.

b Right of Way, access and licence to the Site.

iv Obligation of the Company

a The comapny shall not assign, transfer or sublet or create any lien or Encumbrance on the CA or the Concession granted or on the whole or any part of the Project

b The company is under obligation to carry out the routine and periodic maitenance of Project Highway as per Schedule L of the CA.

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

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

vi Details of Termination
CA can be terminated on account of default of the company or NHAI in the circumstances as specified under article 32 of the CA.

Panipat Elevated Corridor Limited

H) Notes forming parts of accounts as at and for the year ended on 31st March, 2021

14) Financial Instruments

Disclosure of Financial Instruments by Category

Financial instruments by categories	Note no.	31.03.2021			31.03.2020		
		FVTPL	FVTOCI	Amortized cost	FVTPL	FVTOCI	Amortized cost
Financial asset							
Security Deposits	3	-	-	11,85,751	-	-	7,51,881
Investments	7	-		-	30,93,641	-	-
Trade receivables		-	-	-	-	-	-
Cash and cash equivalents	8	-	-	68,83,314	-	-	48,58,859
Other bank balance				1,43,702			1,35,466
Non Current Financial Asset	4			-			8,000
Total Financial Asset		**-**	**-**	**82,12,767**	**30,93,641**	**-**	**57,54,206**
Financial liability							
Loans from related parties	11	-	-	3,27,08,59,767	-	-	2,73,39,51,358
Negative Grant (Including Interest)	11	-	-	97,25,68,156	-	-	1,44,95,64,637
Other Current Financial Liabilities	12	-	-	2,18,62,204	-	-	3,11,88,494
Trade Payables	15	-	-	2,01,81,087	-	-	1,45,85,639
Total Financial Liabilities		**-**	**-**	**4,28,54,71,214**	**-**	**-**	**4,22,92,90,128**

Default and breaches

There are no defaults with respect to payment of principal interest or redemption terms and no breaches of the terms and conditions of the loan.
There are no breaches during the year which permitted lender to demand accelerated payment.

15) Fair value of Financial asset and liabilties at amortized cost

Particular	Note no.	31.03.2021		31.03.2020	
		Carrying amount	Fair value	Carrying amount	Fair value
Financial Assets					
Security Deposits	3	11,85,751	11,85,751	7,51,881	7,51,881
Other Current Financial Asset	4	-	-	8,000	8,000
Total Financial Assets		**11,85,751**	**11,85,751**	**7,59,881**	**7,59,881**
Financial liability					
Loans from related parties	11	3,27,08,59,767	3,27,08,59,767	2,73,39,51,358	2,73,39,51,358
Negative Grant (Including Interest)	11	97,25,68,156	97,25,68,156	1,44,95,64,637	1,44,95,64,637
Other Current Financial Liabilities	12	2,18,62,204	2,18,62,204	3,11,88,494	3,11,88,494
Trade Payables	15	2,01,81,087	2,01,81,087	1,45,85,639	1,45,85,639
Total Financial Liabilities		**4,28,54,71,214**	**4,28,54,71,214**	**4,22,92,90,128**	**4,22,92,90,128**

The carrying amount of current financial assets and current tradecash & cash equivalents and other payables measured at amortised cost are considered to be the same as their fair values, due to their short term nature.

The carrying amount of Security Deposit measured at amortized cost is considered to be the same as its fair value due to its insignificant value.

The carrying value of Loan from Related Party approximate fair value as the instruments are at prevailing market rate.

The carrying value of Negative Grant (Including Interest) reasonably approximates its fair value, hence their carrying value is considered to be same as their fair value.

Panipat Elevated Corridor Limited

H) Notes forming parts of accounts as at and for the year ended on 31st March, 2021

16) Fair Value Measurement

Fair Value Measurement of Financial asset and Financial liabilties

Fair value hierarchy

As at March 31, 2021

Financial Asset & Liabilites Measured at Amortized cost for which fair values are to be disclosed	Note No.	Level 1	Level 2	Level 3	Total
Financial Assets					
Security Deposits	3	-	-	11,85,751	11,85,751
Non Current Financial Asset	4	-	-	-	-
Total of Financial Assets		-	-	**11,85,751**	**11,85,751**
Financial Liabilities					
Loans from related parties	11	-	-	3,27,08,59,767	3,27,08,59,767
Negative Grant Payable (Including Interest)	11	-	-	97,25,68,156	97,25,68,156
Other Current Financial Liabilities	11	-	-	2,18,62,204	2,18,62,204
Trade Payables	14	-	-	2,01,81,087	2,01,81,087
Total Financial liabilties		-	-	**4,28,54,71,214**	**4,28,54,71,214**

As at March 31, 2020

Financial Asset & Liabilites Measured at Amortized cost for which fair values are to be disclosed		Level 1	Level 2	Level 3	Total
Financial Assets					
Security Deposits	3	-	-	7,51,881	7,51,881
Other Current Financial Asset	4		-	8,000	8,000
Total Financial Assets		-	-	**7,59,881**	**7,59,881**
Financial Liabilities					
Loans from related parties	11	-	-	2,73,39,51,358	2,73,39,51,358
Negative Grant Payable (Including Interest)	11	-	-	1,44,95,64,637	1,44,95,64,637
Other Current Financial Liabilities	11	-	-	3,11,88,494	3,11,88,494
Trade Payables	14	-		1,45,85,639	1,45,85,639
Total Financial Liabilities		-	-	**4,22,92,90,128**	**4,22,92,90,128**

There are no transfer between level 1 and level 2 during the year

The company policy is to recognise transfers into and transfer out of fair values hierarchy levels as at the end of the reporting period.

Valuation technique and inputs used to determine fair value

Financial assets and liabilities	Valuation method	Inputs
Financial assets		
Investment in Mutual Funds	Market Approach	NAV
Security deposit	Income	Cash flow
Financial liabilities		
Term Loan from Banks	Income	Current Bank Rate
Loans from Related parties	Income	Current Bank Rate
Negative Grant	Income	Cash flow

Panipat Elevated Corridor Limited

H) Notes forming parts of accounts as at and for the year ended on 31st March, 2021

17) Financial Risk Management

The company's activities expose it to variety of financial risks : market risk, credit risk and liquidity risk. The company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board of Directors has established a risk management policy to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management systems are reviewed periodically to reflect changes in market conditions and the Company’s activities. The Board of Directors oversee compliance with the Company’s risk management policies and procedures, and reviews the risk management framework.

Market risk

The market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk.

i Foreign Currency Risk

Foreign currency risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rate.

The company is not exposed to foreign currency risk as it has no borrowing in foreign currency.

ii Interest rate risk

Interest rate risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Interest risk arises to the company mainly from Long term borrowings with variable rates.The company measures risk through sensitivity analysis.

Currently company is having NCD at a fixed rate of 10.56%

The company's exposure to interest rate risk due to variable interest rate borrowings is as follows:

Particulars	31.03.2021	31.03.2020
Inter Corporate Deposits - Variable rate borrowings	62,04,10,885	62,04,10,885

Sensitivity analysis based on average outstanding Senior Debt

Interest Rate Risk Analysis	Impact on profit/ loss after tax	
	31.03.2021	31.03.2020
Increase or decrease in interest rate by by 25 basis point	15,51,027	9,64,889

Note: Profit will increase in case of decrease in interest rate and vice versa

iii Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk).

The company is exposed to price risk due to investments in mutual funds and classified as fair value through profit and loss.
The company measures risk through sensitivity analysis.
The company's risk management policy is to mitigate the risk by investments in diversified mutual funds.

The company's exposure to price risk due to investments in mutual fund is as follows:

Particulars	Note No.	31.03.2021	31.03.2020	
Investments in Mutual Funds	7	-	30,93,641	-

Sensitivity Analysis

	Impact on profit/ loss after tax	
	31.03.2021	31.03.2020
Increase or decrease in NAV by 1%	-	30,936.41

Note - In case of decrease in NAV profit will reduce and vice versa.

iv Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial assets.

The company is exposed to liquidity risk due to Debenture borrowings and trade and other payables.

The company measures risk by forecasting cash flows.
The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due without incurring unacceptable losses or risking damage to the Company's reputation. The Company ensures that it has sufficient fund to meet expected operational expenses, servicing of financial obligations.

The following are the contractual maturities of financial liabilities

As at March 31, 2021	Carrying Amount	upto 1 year	1 - 2 years	2 - 5 years	> 5 years
Non Derivative Financial Liability					
Non Convertable Debenture & Inter Corporate Deposit	3,27,08,59,767	2,27,08,59,767	30,00,00,000	70,00,00,000	-
Negative Grant (Including interest)	97,25,68,156	46,44,52,351	531378509.4	13,71,95,671	
Trade Payables	2,01,81,087	2,01,81,087 \		-	-
Other Current Financial Liabilities	2,18,62,204	2,18,62,204	-	-	-
Derivative Financial Liability	NIL	NIL	NIL	NIL	NIL
As at March 31, 2020	**Carrying Amount**	**upto 1 year**	**1 - 2 years**	**2 - 5 years**	**> 5 years**
Non Derivative Financial Liability					
Non Convertable Debenture & Inter Corporate Deposit	2,73,39,51,358	1,48,39,51,358	25,00,00,000	1,00,00,00,000	-
Negative Grant (Including interest)	1,44,95,64,637	67,15,25,227	47,00,04,451	57,31,95,549	-
Trade Payables	1,45,85,639	1,45,85,639	-	-	-
Other Current Financial Liabilities	3,11,88,494.00	3,11,88,494.00	-	-	-
Derivative Financial Liability	NIL	NIL	NIL	NIL	NIL

v Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

The company generally does not have trade receivables as collection of toll income coincide as and when the traffic passes through toll - plazas. The company has other receivables primarily from government authority i.e. NHAI. Hence, the management believes that the company is not exposed to any credit risk.

18) Force Meajure (FM) Events during the Year

a) COVID -19 :

The Government of India had announced the nationwide lock down with effect from Mar 25, 2020 & accordingly the National Highway Authority of India ("NHAI") ordered for suspension of tolling in the country due to the Pandemic effect of COVID 19. However, the operations at Toll Plazas to continue with respect to the regular maintenance and operations of the Plazas.

Force Meajure (FM) event continued till April 19th, 2020 and Company had started collecting toll from 20th April, 2020. As per the Provisions of the Concession Agreement (CA), Company is eligible for either extension or Reimbursement of expenses during the FM period.We have lodged the claims with NHAI Vide Letter dated 23.12.2020 and awaiting for Approval of Authority. We have accounted the extension of 24 days in our books as per NHAI Policy guidelines 8.3.33/2020 dated 26th may 2020, accounted as receivable from NHAI of Rs. 4.10 Cr and Amortisation for the current year is also calculated based on the extended period.

b) Farmers' Unrest :

During the Current year, due to Farmers' unrest there was disruption of tolling from Dec 25th 2020,the same has been considered as FM event since the local authorities/administration could not provide support for enabling toll operations at Plaza. we have notified NHAI vide letter dated 30.03.2021 about the same as event of FM under provisions of CA. The FM event continued as of 31st March 2021. Claim will be lodged on resumption of Toll operations. The claim is unquantifiable as of 31st March 2021 and the same is not accounted in the books

19) Disclosure pursuant to Ind AS 116 - " Leases"

Company has no assets which are covered under Ind AS 116. Hence, there is no impact for the company

20) Previous Year Figures are regrouped whereever required.

21) Figures have been rounded off to the nearest rupee.

I. Significant Accounting Policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

1 Basis of preparation

(a) Compliance with IndAS

The Company's financial statements comply in all material respects with Indian Accounting Standards (Ind AS) notified 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) Amendmend Rules, 2016.

(b) Basis of measurement

The financial statements have been prepared on a historical cost basis, except for the following items which are measured at fair values:

- Certain financial assets and liabilities
- Net defined benefit (asset) / liability

(c) Use of estimates and judgements

The preparation of these financial statements in conformity with IndAS requires the management to make estimates and assumptions considered in the reported amounts of assets, liabilities (including contingent liabilities), income and expenses. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Actual results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialize. Estimates include the useful lives of property plant and equipment and intangible fixed assets, allowance for doubtful debts/advances, future obligations in respect of retirement benefit plans, provisions for resurfacing obligations, fair value measurement etc. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

(d) Measurement of fair values

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

The fair value measurement assumes that the transaction to sell the asset or transfer the liability takes place either:
- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

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

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

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy. The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels:

Level 1 – inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 – inputs are 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 prices)

Level 3 – inputs are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part using a valuation model based on assumption that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

2 Presentation of financial statements

The Balance Sheet and the Statement of Profit and Loss are prepared and presented in the format prescribed in Schedule III to the Companies Act, 2013 ("the Act"). The Cash Flow Statement has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash Flows". The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in Schedule III to the Act, are presented by way of notes forming part of accounts along with the other notes required to be disclosed under the notified Accounting Standards and the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

Amounts in the financial statements are presented in Indian Rupees rounded off to two decimal places in line with the requirements of Schedule III. Per share data are presented in Indian Rupees to two decimal places.

3 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are inclusive of duties and taxes and net of discounts, rebates and other similar allowances.

The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that the future economic benefits would flow to the entity and specific criteria have been met for each of the activities described below. The Company bases its estimates on historical results, taking into consideration the type of customer, type of transaction and specifics of the arrangement.

a) Toll collections from the users of the infrastructure facility constructed by the Company under the Service Concession Arrangement is accounted for based on actual collection, net of revenue share payable under the Concession agreement wherever applicable. Revenue from sale of smart cards, electronic or digital mode of payment is accounted on cash basis. The compensatation receivable for categories vehicles exempted from Toll by Concessioning Authority is accounted on cash basis except for the last month of year where it is recognised on estimated realisable value basis.

b) Interest income is recognised using effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through expected life of the financial asset to the gross carrying amount of the financial asset. When calculating the effective interest rate, the company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses.

c) Fair value gains on current investments carried at fair value are included in Other income.

d) Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that the amount recoverable can be measured reliably and it is reasonable to expect ultimate collection.

e) Other items of income are recognised as and when the right to receive arises.

4 Cash and Cash Equivalents

Cash and bank balances also include fixed deposits, margin money deposits, earmarked balances with banks and other bank balances which have restrictions on repatriation. Short term highly liquid investments being not free from more than insignificant risk of change are not included as part of cash and cash equivalents. Bank overdrafts which are part of the cash management process is included as part of cash and cash equivalents.

5 Cash flow statement

Cash flow statement is prepared segregating the cash flows from operating, investing and financing activities. Cash flow from operating activities is reported using indirect method. Under the indirect method, the net profit/(loss) is adjusted for the effects of:

(a) transactions of a non-cash nature;

(b) any deferrals or accruals of past or future operating cash receipts or payments and,

(c) all other items of income or expense associated with investing or financing cash flows.

The cash flows from operating, investing and financing activities of the Company are segregated based on the available information. Cash and cash equivalents (including bank balances) are reflected as such in the Cash Flow Statement. Those cash and cash equivalents which are not available for general use as on the date of Balance Sheet are also included under this category with a specific disclosure.

6 Property, plant and equipment (PPE)

Freehold land is carried as historical cost. All other items of property, plant and equipment are stated at historical cost less accumulated depreciation and cumulative impairment. Historical cost includes expenditure that is directly attributable to acquisition of the items. Land acquired under long term lease is classified as "Property, Plant and equipment" and is depreciated over the period of lease.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that the future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. Properties in the course for production, supply or administrative purposes are carried at cost, less any recognised impairment loss. Cost includes expenditure that is directly attributable and for qualifying assets, borrowing costs capitalised in accordance with the Company's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Depreciation is recognised so as to write off the cost of assets (other than freehold land and assets under construction) less their residual values over their useful lives using the straight-line method. The estimated useful lives and residual values are reviewed at the end of each year, with the effect of any changes in estimate accounted for on a prospective basis.

In respect of Property, Plant and Equipment purchased during the year, depreciation is provided on a pro-rata basis from the date on which such asset is ready to use. Assets costing less than rupees five thousand each is fully depreciated in the year of purchase.

The estimated useful lives of the assets are as follows:

Category of Property, plant and equipment	Estimated useful life (in years)
Buildings including ownership flats	50
Plant and equipment:	
DG Sets	12
Air-conditioning and refrigeration equipment	12
Split AC and Window AC	4
Furniture and fixtures	10
Vehicles:	
Motor cars (other than those under the Company owned car scheme)	7
Motor cars (under the Company owned car scheme)	5
Motor cycles, scooters and other mopeds	10
Tractors and other vehicles	8
Office equipment:	
Multifunctional devices, printers, switches and projectors	4
Other office equipments	5
Computers:	
Servers and systems	6
Desktops, laptops, etc,	3
Wind power generating plant	20
Electrical installations	10

An item of property, plant and equipment is derecognised upon disposal. Any gain or loss arising on the disposal of an item of property plant and equipment is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognised in the statement or profit and loss.

For transition to IndAS, the Company has elected to continue with the carrying value of all its property, plant and equipment recognised as of April 01, 2015 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost on the transition date.
Depreciation charge for impaired assets is adjusted in future periods in such a manner that the revised carrying amount of the asset is allocated over its remaining useful life.

7 Amortisation of intangible assets

Toll collection rights in respect of road projects are amortized over the period of concession using the Straight Line amortisation method prescribed under Schedule II to the Companies Act, 2013. Balance concession period as per Note 2.1.1

For transition to IndAS, the Company has availed the option to continue with the Straight Line amortisation method prescribed under Schedule II to the Companies Act, 2013 for toll collection rights recognised under service concession arrangements recognised for the period ending immediately before the beginning of the first IndAS reporting period as per the previous GAAP.

8 Intangible assets

a) Rights under Service Concession Arrangements

Intangible assets are recognised when it is probable that future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably. Intangible assets are stated at original cost net of tax/duty credits availed, if any, less accumulated amortisation and cumulative impairment.

Toll Projects (Right to charge users)

Toll collection rights obtained in consideration for rendering construction services, represent the right to collect toll revenue during the concession period in respect of Build-Operate-Transfer ("BOT") project undertaken by the Company. Toll collection rights are capitalized as intangible assets upon completion of the project at the cumulative construction costs plus the present value of obligation towards negative grants and additional concession fee payable to NAtional Highway Authority of India (NHAI), if any. Till the completion of the project, the same is recognised under intangible assets under development. The revenue from toll collection/other income during the construction period is reduced from the carrying amount of intangible assets under development.

The cost incurred for work beyond the original scope per Concession agreement (normally referred as "Change of Scope") is capitalized as intangible asset under development as and when incurred. Reimbursement in respect of such amounts from NHAI/State authorities are reduced from the carrying amount intangible assets to the extent of actual receipts.

Other Intangible Assets:

Specialized software is amortized over a period of three to six years on straight line basis from the month in which the addition is made.
Amortisation on impaired assets is provided by adjusting the amortisation charge in the remaining periods so as to allocate the assets' revised carrying amount over its remaining useful life.

9 Investments:
Trade investments comprise investments in entities in which the Company has strategic business interest.
Investments, which are readily realizable and are intended to be held for not more than one year, are classified as current investments. All other investments are
Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured in accordance with the requirements of cost model.

For transition to IndAS, the Company has elected to continue with the carrying value of all its property, plant and equipment recognised as of April 01, 2015 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost on the transition date.

10 Employee benefits

Employee benefits include provident fund, superannuation fund, employee state insurance scheme, gratuity fund, compensated absences, long service awards and post-employment medical benefits.

(i) Short term employee benefits

All employee benefits falling due wholly within twelve months of rendering the service are classified as short term employee benefits. The benefits like salaries, wages, short term compensated absences etc. and the expected cost of bonus, ex-gratia are recognised in the period in which the employee renders the related service.

'The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

The cost of short-term compensated absences is accounted as under :

(a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and

(b) in case of non-accumulating compensated absences, when the absences occur.

(ii) Post employment benefits

(a) Defined contribution plans:

The Company's superannuation scheme and State governed provident fund linked with employee pension scheme are defined contribution plans. The contribution paid/ payable under the scheme is recognised during the period in which the employee renders the related service.

(b) Defined benefit plans:

The employees' gratuity fund scheme and the provident fund scheme managed by the trust of the Holding Company are the company's defined benefit plans. The present value of the obligation under such defined benefit plans is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rate used for determining the present value of the obligation under defined benefit plans, is based on the market yield on government securities of a maturity period equivalent to the weighted average maturity profile of the related obligations at the Balance Sheet date.

Remeasurement, comprising actuarial gains and losses, the return on plan assets (excluding net interest) and any change in the effect of asset ceiling (if applicable) are recognised in other comprehensive income and is reflected immediately in retained earnings and is not reclassified to profit & loss.

The interest element in the actuarial valuation of defined benefit plans, which comprises the implicit interest cost and the impact of changes in discount rate, is recognised as employee benefit expenses in the Statement of Profit and Loss.

In case of funded plans, the fair value of the plan assets is reduced from the gross obligation under the defined benefit plans to recognise the obligation on a net basis.

Gains or losses on the curtailment or settlement of any defined benefit plan are recognised when the curtailment or settlement occurs. Past service cost is recognised as expense at the earlier of the plan amendment or curtailment and when the Company recognises related restructuring costs or termination benefits.

(iii) Other long term employee benefits:

The obligation for other long term employee benefits such as long term compensated absences, liability on account of Retention Pay Scheme are recognised in the same manner as in the case of defined benefit plans as mentioned in (ii)(b) above.

(iv) Termination benefits

Termination benefits such as compensation under Voluntary Retirement cum Pension Scheme are recognised as expense and a liability is recognised at the earlier of when the Company can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

11 **Borrowing costs**

Borrowing costs include interest calculated using the effective interest method, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilized for acquisition, construction or production of qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset up to the date of capitalization of such asset are added to the cost of the assets. Capitalization of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

12 **Leases**

The determination of whether an agreement is, or contains, a lease is based on the substance of the agreement at the date of inception.

Finance leases:

(a) Property, plant and equipment acquired under leases where the Company has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the inception of the lease at the lower of the fair value or the present value of minimum lease payments and a liability is created for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost, so as to obtain a constant periodic rate of interest on the outstanding liability for each period.

(b) Property, plant and equipment given under a finance lease are recognised as a receivable at an amount equal to the net investment in the lease. Lease income is recognised over the period of the lease so as to yield a constant rate of return on the net investment in the lease.

Operating leases:

(a) Property, plant and equipment acquired on leases where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Lease rentals are charged to the Statement of Profit and Loss on a straight line basis over the term of the relevant lease.

(b) Property, plant and equipment leased out under operating leases are continued to be capitalised by the Company. Rental income is recognised on a straight-line basis over the term of the relevant lease.

13 **Earnings per share**

Basic earnings per share is computed by dividing the profit / (loss) for the year by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) for the year as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

14 **Income taxes**

The income tax expense or credit for the year is the tax payable on current year's taxable income based on the applicable income tax rate 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 tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates, positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and provisions are established where appropriate on the basis of amounts expected to be paid to the tax authorities.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the entity will pay normal income tax. Accordingly, MAT is recognised as an asset when it is highly probable that future economic benefit associated with it will flow to the entity.

Deferred income tax is provided in full, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However deferred income tax is not accounted if it arises from the initial recognition of an asset or liability that at the time of the transaction affects neither the accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset/liability is realised or settled.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax losses and carry forward of unused tax credits to the extent that it is probable that taxable profit will be available against which those temporary differences, losses and tax credit can be utilized, except when deferred tax asset on deductible temporary differences arise from the initial recognition of an asset or liability in a transaction that is not a business combination and at the time of the transaction, affects neither accounting profit nor taxable profit or loss.

Deferred tax assets and deferred tax liabilities are offset, when the entity has a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances related to the same authority.

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 wherein the related tax is also recognised in other comprehensive income or directly in equity.

15 Impairment of assets

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists. The following intangible assets are tested for impairment each financial year even if there is no indication that the asset is impaired:
(a) an intangible asset that is not yet available for use; and (b) an intangible asset that is amortized over a period exceeding ten years from the date when the asset is available for use.

If the carrying amount of the assets exceed the estimated recoverable amount, an impairment is recognised for such excess amount. The impairment loss is recognised as an expense in the Statement of Profit and Loss, unless the asset is carried at revalued amount, in which case any impairment loss of the revalued asset is treated as a revaluation decrease to the extent a revaluation reserve is available for that asset.

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

When there is indication that an impairment loss recognised for an asset (other than a revalued asset) in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss. In case of revalued assets such reversal is not recognised.

16 Provisions, contingent liabilities and contingent assets

A provision is recognised when the Company has a present obligation (legal or constructive) as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material)

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognsied as an asset if it is virtually certain that the reimbursement will be received and the amount of the receivable can be measured reliably.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The company does not recognize a contingent liability but discloses its existence in the financial statements

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only be occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company. The company does not recognize a contingent asset but discloses its existence in the financial statements

17 Financial Instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

a) Financial Assets

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets

Investments in debt instruments that meet the following conditions are subsequently measured at amortised cost.
• The asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
• The contractual terms of instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income
• The asset is held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets; and
• The contractual terms of instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

Investments in equity instruments are classified as FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in OCI for equity instruments which are not held for trading.

Interest, dividends, losses and gains relating to financial instruments or a component that is a financial liability shall be recognised as income or expenses in profit or loss.. On disposal of debt instruments FVTOCI the cumulative gain or loss previously accumulated in other equity is reclassified to profit & loss. However in case of equity instruments at FVTOCI cumulative gain or loss is not reclassified to profit & loss on disposal of investments.

The company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability is derecognized when obligation specified in the contract is discharged or cancelled or expires.
Impairment of financial assets: The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, debt instruments at FVTOCI, trade receivable and other contractual rights to receive cash or other financial asset and financial guarantees not designated as at FVTPL. For the purpose of measuring expected credit loss allowance for businesses other than financial services for trade receivables, the Company has used a provision matrix which takes into account historical credit loss experience and adjusted for forward looking information as permitted under Ind AS 109. Impairment loss allowance (or reversal) recognised during the period is recognised as income / expense in the statement of profit and loss

b) Financial Liabilities

Financial liabilities are classified at initial recognition, as financial liabilities as fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Loans and borrowings are subsequently measured at amortised costs using Effective Interest Rate method.

Financial liabilities at fair value through profit or loss (FVTPL) are subsequently measured at fair value.

Financial guarantee contracts are subsequently 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.

The Company designates certain hedging instruments, which include derivatives, embedded derivatives and non-derivatives in respect of foreign currency risk, as either fair value hedges, cash flow hedges, or hedges of net investments in foreign operations. Hedges of foreign exchange risk on firm commitments are accounted for as cash flow hedges.

Changes in fair value of the designated portion of derivatives that qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. The fair value adjustment to the carrying amount of the hedged item arising from the hedged risk is amortised to profit or loss from that date.

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated under the heading of cash flow hedging reserve. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss.

Amounts previously recognised in other comprehensive income and accumulated in equity relating to (effective portion as described above) are reclassified to profit or loss in the periods when the hedged item affects profit or loss, in the same line as the recognised hedged item.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gain or loss recognised in other comprehensive income and accumulated in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in profit or loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognised immediately in profit or loss.

18 Insurance claims

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that the amount recoverable can be measured reliably

19 Operating Cycle

Based on the nature of products / activities of the company and the normal time between acquisition of assets and their realization in cash or cash equivalents, the company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

20 Claims

Claims against the Company not acknowledged as debts are disclosed under contingent liabilities. Claims made by the company are recognised as and when the same is approved by the respective authorities with whom the claim is lodged.

21 Commitments

Commitments are future liabilities for contractual expenditure. Commitments are classified and disclosed as follows:

(i) Estimated amount of contracts remaining to be executed on capital account and not provided for
(ii) Uncalled liability on shares and other investments partly paid
(iii) Funding related commitment to subsidiary, associate and joint venture companies and
(iv) Other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of management.

Other commitments related to sales/procurements made in the normal course of business are not disclosed to avoid excessive details.

As per our report attached
Gianender & Associates
Chartered Accountants
Firm's Registration No. 004661N
by the hand of

For and on behalf of the Board

G. K. Agrawal
Partner
Membership No.: 81603

Chief Financial Officer
K. Pooja Jain

Company Secretary
Priti Sharma

Director
Dr. Esther Malini
DIN No : 07124748

Director
P.G.Suresh Kumar
DIN No : 07124883

Place: Delhi
Date:

Place: Chennai
Date: