BOARD’S REPORT

Dear Members,

The Directors have pleasure in presenting their report and Audited Accounts for the year ended March 31, 2022.

Financial Results / Financial Highlights:

(Rs. in crore)

Particulars	2021-22	2020-21
Profit / (Loss) Before Depreciation, exceptional items & Tax	(63.76)	(72.83)
Less: Depreciation, amortization, impairment and obsolescence	63.77	27.40
Profit / (Loss) before exceptional items and tax	(127.53)	(100.23)
Add: Exceptional Items	-	-
Profit / (Loss) before tax	(127.53)	(100.23)
Less: Provision for tax	-	-
Profit for the period carried to the Balance Sheet	(127.53)	(100.23)
Add: Other comprehensive Income	(0.06)	0.07
Total Comprehensive income of the year	(127.59)	(100.16)
Add: Balance brought forward from previous year	(433.68)	(333.52)
Balance to be carried forward	(561.27)	(433.68)

State of Company Affairs:

The gross revenue and other income for the financial year under review were Rs.199.57 crore as against Rs.187.47 crore for the previous financial year registering an increase of 6.45%. The loss before tax and loss after tax was Rs.127.53 crore for the financial year under review as against Rs.100.23 crore for the previous financial year, registering an decrease in loss by 27.24% respectively.

COVID-19 update

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.

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:

During the year under review there were no allotment of shares / debentures

Capital Expenditure:

As at March 31, 2022 the gross fixed and intangible assets including leased assets, stood at Rs.1706.07 crore and the net fixed and intangible assets, including leased assets, at Rs.1507.99 crore. Capital Expenditure during the year amounted to Rs.0.24 crore, 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, 2022, the shares of the Company are held in the following manner:

Equity Shares:

100% of the paid up Equity Share Capital representing 8,05,40,000 equity shares @ Rs.10/- each are in dematerialized form.

Compulsorily Convertible Preference Shares (CCPS):

64.68% of the preference share capital representing 12,81,84,003 CCPS @ Rs.10/- each are held in dematerialized form and the remaining 35.32% of the preference share capital representing 7,00,00,000 CCPS @ Rs.10/- each are held in physical form.

Subsidiary/Associate/Joint Venture Companies:

The Company does not have any Subsidiary/Associate/Joint Venture Company.

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. All related party transactions were at arms'- length and in the ordinary course of business. The details of Related Party Transactions are provided in **Annexure I** (AOC-2).

Amount to be carried to reserve:

In view of the loss incurred the Company has not transferred any amount to any reserves during the year under review.

Dividend:

As the Company does not have distributable profits hence no dividend is recommended 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 or commitments adversely affecting the financial position of the Company have occurred 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

During the year the Company had incurred expenditure in foreign currency for an amount of Rs. Nil.

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 the Company does not fulfil the criteria specified under Section 135(1) of the Act, the provisions of Corporate Social Responsibility are not applicable.

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

Dr. Esther Malini, Director had retired by rotation at the Annual General Meeting held on September 30, 2021 and being eligible was re-appointed as Director at the said meeting. Dr. J.N. Singh was appointed as an Independent Director at the Annual General Meeting held on September 30, 2021 for a term of five years with effect from February 25, 2021.

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

The first term of 5 years of Dr. K.N. Satyanarayana, Independent Director of the Company was concluded on March 30, 2020. Subsequently, the Independent Directors was re-appointed for a second term of 5 years from March 31, 2020 to March 30, 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, 2022, 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	Dr. K.N. Satyanarayana	Independent Director	02460153
4	Dr. J.N. Singh	Independent Director	00955107

Key Managerial Personnel (KMP) of the Company as on March 31, 2022:

S.No.	Name of the KMP	Designation	Date of Appointment
1	Mr. Prakash Nayak*	Manager	October 10, 2020
2	Ms. Sipra Paul	Company Secretary	July 08, 2020
3	Ms. Indulaba C	Chief Financial Officer	March 26, 2021
4	Mr. Bhushan Babubhai Parmar	Manager	January 11, 2022

* resigned as Manager w.e.f. December 25, 2021

During the year, Extra-Ordinary General Meeting was held on February 11, 2022.

Number of Meetings of the Board of Directors:

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 five Board Meetings were held as detailed hereunder:

Date	Strength	No. of Directors Present
April 21, 2021	4	4
July 12, 2021	4	4
October 13, 2021	4	4
January 11, 2022	4	3
March 24, 2022	4	4

Information to the Board

The Board of Directors has complete access to the information within the Company which inter alia 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 & 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 Audit Committee was reconstituted during the year. As on March 31, 2022 the committee comprised of Dr. J.N. Singh, Dr. K.N. Satyanarayana, and Mr. P.S. Kapoor.

During the year, four audit committee meetings were held as detailed hereunder:

Date	Strength	No. of Directors Present
April 21, 2021	3	3
July 12, 2021	3	3
October 13, 2021	3	3
January 11, 2022	3	3

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.
Member can view the details of the whistle blower policy under the said framework of the Holding Company on its website whistle-blower-policy.pdf (windows.net).

Disclosure of Remuneration

The Directors of the Company are not paid any remuneration except sitting fees to Independent Directors. Hence, the remuneration of the Directors to that of the employees of the Company is not comparable.

Company Policy on Director Appointment and Remuneration:

The Nomination and Remuneration Committee reconstituted during the year. As on March 31, 2022, the committee comprised of Dr. J.N. Singh, Dr. K.N. Satyanarayana, and Dr. Esther Malini.

During the year, three meetings of the Nomination & Remuneration Committee were held as detailed hereunder:

Date	Strength	No. of Directors Present
April 21, 2021	3	3
October 13, 2021	3	3
January 11, 2022	3	2

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, 2022, the AC and Board opine 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 at their meeting held on March 24, 2022, 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 Annual General Meetings

The Company has complied with Secretarial Standards issued by the Institute of Company Secretaries of India on Board Meetings and Annual 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 Holding Company. This has been widely disseminated. The Company has an internal complaint committee under the Sexual harassment of women at workplace (Prevention, Prohibition & Redressal) Act, 2013. 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 2021-22 is 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. The Auditors' report to the shareholders does not contain any qualification, observation or adverse comment.

Reporting of fraud:

The Auditors of the Company have not reported any instances of fraud committed against the Company by its officers or employees as specified under Section 143(12) of the Companies Act, 2013.

Auditors:

The Company at the 11th Annual General Meeting held on 30th September, 2021 had appointed M/s. M.K. Dandeker & Co., Chartered Accountants, ICAI Registration No. 000679S as Statutory Auditors of the Company to hold office for a term of 5 (five) consecutive years.

Secretarial Auditor:

M/s. KC Raman & Co., (PCS Registration No. 23371), Company Secretaries in Practice was appointed as Secretarial Auditor for FY 2021-22 as required under Section 204 of the Act and rules made thereunder.

The Secretarial Audit Report to the shareholders for the financial year 2021–22, issued by Secretarial Auditor dated 19.04.2022, is unqualified and is attached as **Annexure II** to this Report.

Cost auditors:

M/s G. Sugumar, Cost Accountant (Membership No.24946), was appointed as Cost Auditor of the Company for audit of cost accounting records for the financial year 2021 - 22, pursuant to the provisions of Section 148 of the Act and Rule 3 and 4 of the Companies (Cost Records and Audit) Amendment Rules, 2014.

The remuneration of the Cost Auditor was ratified at the Annual General Meeting held on September 30, 2021. The Cost Audit Report for the year 2020–21 was filed with MCA.

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 Samakhiali-Gandhidham (Gujarat) | L&T Infrastructure Development Projects Limited | L&T India (lntidpl.com).

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, stock exchanges and all the stakeholders for their continued co-operation and support to the Company.

For and on behalf of the Board

	Esther Malini	**Pramod Sushila Kapoor**
Date: 19.04.2022	*Director*	*Director*
Place: Chennai	*DIN: 07124748*	*DIN: 02914307*

Annexure I

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

   a. There were no contracts or arrangements entered into by the Company with related party(s) during the FY 2021 – 22 which required shareholders' approval as per Sec. 188(1) of the Companies Act, 2013
   b. The details of related party transactions during the FY 2021 – 22 form part of the financial statements as per Ind AS 24 and the same is given in Note H6.

For and on behalf of the Board

	Esther Malini	**Pramod Sushila Kapoor**
Date: 19.04.2022	*Director*	*Director*
Place: Chennai	*DIN: 07124748*	*DIN: 02914307*

Annexure II

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR 2021-22

[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,
L&T SAMAKHIALI GANDHIDHAM TOLLWAY LIMITED
P.O. BOX NO.979, MOUNT POONAMALLEE ROAD
MANAPAKKAM
CHENNAI-600089

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by L&T SAMAKHIALI GANDHIDHAM TOLLWAY LIMITED (here-in-after called the 'Company') for the financial ending 31st March 2022. Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the 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, I hereby report: -

That in my opinion, the company has, during the audit period has complied with the applicable statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year under the provisions of
(i) The Companies Act, 2013 (the Act) and the rules made there under;
(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under – Not Applicable;
(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under - Not Applicable;
(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings - Not Applicable;
(v) The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') - Not Applicable:-

I have also examined whether adequate systems and processes are in place to monitor and ensure compliance with general laws like labour laws, environment laws etc

In respect of financial laws like Tax laws, etc. I have relied on the audit reports made available during our audit for us to have the satisfaction that the Company has complied with the provisions of such laws

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India. - Applicable

During the audit period the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc.

I further report that:-
The Board of Directors & the Committees of the Company are duly constituted. No changes in the composition of the Board of Directors that took place during the period under review. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent 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. Majority decision is carried through and there were no dissenting views by any of the Board members during the year.

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

I further report that during the audit period the company has complied with all requirements under the new Companies Act 2013 to the extent notified and applicable with respect to all events/actions having a major bearing on the Companies affairs

This report has to be read along with our statement furnished in Annexure A

KC Raman
KC RAMAN & CO
(COMPANY SECRETARY IN PRACTICE)
CP NO. 23371
UDIN: A009392D000159509

PLACE CHENNAI
DATE: April 19, 2022

Annexure 'A'

To,
The Members,
L&T SAMAKHIALI GANDHIDHAM TOLLWAY LIMITED
Mount Poonamalle Road, Manapakkam,
Chennai – 600089

Dear Sir(s),
Sub.: Secretarial Audit Report for the Financial Year ended 31.03.2022

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 processes 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 processes 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 the management of the Company. Our examination was limited to the verification of procedures 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.

KC Raman
KC RAMAN & Co
(COMPANY SECRETARY IN PRACTICE) CP NO. 23371
Chennai April 19, 2022

M.K. DANDEKER & CO.
Chartered Accountants

Phone : +91-44-43514233
E-mail : admin@mkdandeker.com
Web : www.mkdandeker.com

No.185 (Old No.100) 2nd Floor,
Poonamallee High Road,
Kilpauk, CHENNAI - 600 010.

INDEPENDENT AUDITOR'S REPORT

To the Members of M/s. L&T Samakhiali Gandhidham Tollway Limited

Report on the Ind AS Financial Statements

Opinion

We have audited the Ind AS financial statements of **L&T Samakhiali Gandhidham Tollway Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the 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 Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ("Ind AS") prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and 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 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 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 ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Ind AS financial statements.

Material Uncertainty relating to Going Concern

We draw attention to the following matter in the Notes to the Ind AS financial statements:

Note H-13 in the Ind AS financial statements which indicates that the Company has accumulated losses and its net worth has been fully eroded. Also, the Company has incurred net cash loss during the current and previous year and, the Company's current liabilities exceeded its current assets as at the balance sheet date. These conditions, along with other matters set forth in Note H-13, indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. However, the Ind AS financial statements of the Company have been prepared on a going concern basis for the reasons stated in the said Note.

Our opinion is not modified in respect of these matters.

M.K. DANDEKER & CO.
#185, (Old No.100), 2nd FLOOR, POONAMALLEE HIGH ROAD, KILPAUK, CHENNAI - 600 010.
CHARTERED ACCOUNTANTS

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Corporate Governance and Shareholder's Information, but does not include the 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 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.

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

Management's Responsibility for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) the Act with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, 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 implementation and maintenance of 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 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 Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

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

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

M.K. DANDEKER & CO. #185, (Old No.100), 2nd FLOOR, POONAMALLEE HIGH ROAD, KILPAUK, CHENNAI - 600 010. CHARTERED ACCOUNTANTS

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 Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, 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 Ind AS 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 Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

M.K. DANDEKER & CO.
#185, (Old No.100), 2nd FLOOR, POONAMALLEE HIGH ROAD, KILPAUK, CHENNAI - 600 010.
CHARTERED ACCOUNTANTS

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the 'Annexure A' a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

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

c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 4 of the Companies (Indian Accounting Standards) Rules, 2015.

e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

g) With respect to the other matters to be included in the Auditor's Report in accordance with 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, no remuneration has been paid by the Company to its Directors during the year so the provisions of section 197 of the Act are not applicable.

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

   i. The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements.

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

M.K. DANDEKER & CO. #185, (Old No.100), 2nd FLOOR, POONAMALLEE HIGH ROAD, KILPAUK, CHENNAI - 600 010. CHARTERED ACCOUNTANTS

iv. (a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c) Based on such audit procedures that we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) contain any material mis-statement.

v. The Company has not declared or paid any dividend during the year.

For M.K. Dandeker & Co.,
(ICAI Regn. No. 000679S)

S. Poosaidurai
Partner
Chartered Accountants
Membership No. 223754

Date: April 18, 2022

Place: Chennai

UDIN: 22223754AHIATW8925

M.K. DANDEKER & CO. #185, (Old No.100), 2nd FLOOR, POONAMALLEE HIGH ROAD, KILPAUK, CHENNAI - 600 010. CHARTERED ACCOUNTANTS

ANNEXURE - A TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in our Report of even date)

(i) (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The Company is maintaining proper records showing full particulars of intangible assets.

(b) The Property, Plant and Equipment have been physically verified by the management at reasonable intervals and no material discrepancies were noticed on such verification.

(c) The title deeds of immovable property are held in the name of the Company.

(d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.

(e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

(ii) (a) The Company is engaged in the business of infrastructure development and maintenance and hence clause 3 (ii)(a) of the Companies (Auditor's Report) Order 2020 relating to inventory is not applicable.

(b) The Company has not availed working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets at any point of time of the year and hence clause 3 (ii)(b) of the Companies (Auditor's Report) Order 2020 is not applicable.

(iii) During the year, the Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties.

(iv) The Company has not entered into any transaction in respect of loans, investments, guarantees and securities, which attracts provisions of section 185 and 186 of the Companies Act, 2013. Hence, the clause 3(iv) of the Companies (Auditor's Report) order 2020 is not applicable to the Company.

(v) The Company has not accepted deposits or amounts which are deemed to be deposits and hence 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 made thereunder are not applicable to the Company.

M.K. DANDEKER & CO.
#185, (Old No.100), 2nd FLOOR, POONAMALLEE HIGH ROAD, KILPAUK, CHENNAI - 600 010.
CHARTERED ACCOUNTANTS

(vi) The Company is maintaining the cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act in respect of services carried out by the Company.

(vii) a. According to the information and explanations given to us, the Company is regular in depositing undisputed statutory dues including provident fund, income-tax, goods and services Tax, cess and any other statutory dues to the appropriate authorities.

b. According to the information and explanations given to us, the details of statutory dues which have not been deposited as on March 31, 2022 on account of disputes are given below:

Name of the Statute	Nature of dues	Period to which amount relates	Forum where the dispute is pending	Amount (In Lakhs)
Income Tax Act, 1961	Income Tax	A. Y. 2013-14	CIT (Appeals)	34.79

(viii) According to the information and explanations given to us, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

(ix) (a) During the year, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us, the Company is not a declared willful defaulter by any bank or financial institution or other lender;

(c) During the year, the Company has not obtained term loans from any bank or financial institution and hence clause 3 (ix)(c) of the Companies (Auditor's Report) Order 2020 is not applicable.

(d) During the year, the Company has not raised any funds on short term basis and hence clause 3 (ix)(d) of the Companies (Auditor's Report) Order 2020 is not applicable.

(e) According to the information and explanations given to us, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures and hence clause 3 (ix)(e) of the Companies (Auditor's Report) Order 2020 is not applicable.

(f) According to the information and explanations given to us, the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies and hence clause 3 (ix)(f) of the Companies (Auditor's Report) Order 2020 is not applicable.

M.K. DANDEKER & CO. CHARTERED ACCOUNTANTS #185, (Old No.100), 2nd FLOOR, POONAMALLEE HIGH ROAD, KILPAUK, CHENNAI - 600 010.

(x) (a) According to the information and explanations given to us, the Company has not raised moneys by way of initial public offer or further public offer (including Debt instruments) during the year and hence clause 3 (x)(a) of the Companies (Auditor's Report) Order 2020 is not applicable.

(b) 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 convertible debentures (fully, partially or optionally) during the year and hence clause 3 (x)(b) of the Companies (Auditor's Report) Order 2020 is not applicable.

(xi) (a) Based on the information and explanations given to us, no material fraud by the Company or any fraud on the Company has been noticed or reported during the year.

(b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT- 4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

(c) Based on the information and explanations given to us, there are no whistle-blower complaints received during the year by the Company.

(xii) The Company is not a Nidhi Company and hence clause 3 (xii) of the Companies (Auditor's Report) Order 2020 is not applicable.

(xiii) 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 Companies Act where applicable and the details have been disclosed in the financial statements, as required by the applicable accounting standards.

(xiv) (a) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the reports of the Internal Auditor for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.

(xv) 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. Hence, clause 3(xv) of the Companies (Auditor's Report) Order 2020 is not applicable.

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and hence clause 3 (xvi) of the Companies (Auditor's Report) Order 2020 is not applicable.

M.K. DANDEKER & CO. #185, (Old No.100), 2nd FLOOR, POONAMALLEE HIGH ROAD, KILPAUK, CHENNAI - 600 010. CHARTERED ACCOUNTANTS

(xvii) The Company has incurred cash loss of Rs.63,76,33,682 in the current financial year and Rs.72,83,68,208 in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year and hence clause 3 (xviii) of the Companies (Auditor's Report) Order 2020 is not applicable.

(xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and as mentioned in Note H-13 of the Ind AS financial statements, we are of the opinion that no material uncertainty exists as on the date of the audit report that Company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) Based on our examination of the records of the Company, the provisions of Section 135 of the Companies Act, 2013 is not applicable to the Company and hence clause 3 (xx) of the Companies (Auditor's Report) Order 2020 is not applicable.

(xxi) As the Company does not have any Subsidiaries, Associates or Joint Ventures, clause 3 (xxi) of the Companies (Auditor's Report) Order 2020 is not applicable.

For **M.K. Dandeker & Co.,**
(ICAI Regn. No. 000679S)

S. Poosaidurai
Partner
Chartered Accountants
Membership No. 223754

Date: April 18, 2022

Place: Chennai

UDIN: 22223754AHIATW8925

M.K. DANDEKER & CO. #185, (Old No.100), 2nd FLOOR, POONAMALLEE HIGH ROAD, KILPAUK, CHENNAI - 600 010. CHARTERED ACCOUNTANTS

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 over financial reporting of **L&T Samakhiali Gandhidham Tollway Limited** ("the Company") as of March 31, 2022 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (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 over financial reporting 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 over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error.

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

M.K. DANDEKER & CO. #185, (Old No.100), 2nd FLOOR, POONAMALLEE HIGH ROAD, KILPAUK, CHENNAI - 600 010. CHARTERED ACCOUNTANTS

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of 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 Ind AS financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For M.K. Dandeker & Co.,
(ICAI Regn. No. 000679S)

S. Poosaidurai
Partner
Chartered Accountants
Membership No. 223754

Date: April 18, 2022

Place: Chennai
UDIN: 22223754AHIATW8925

M.K. DANDEKER & CO. #185, (Old No.100), 2nd FLOOR, POONAMALLEE HIGH ROAD, KILPAUK, CHENNAI - 600 010. CHARTERED ACCOUNTANTS

L&T Samakhiali Gandhidham Tollway Limited
CIN No:U45203TN2010PLC074501
Balance Sheet as at March 31, 2022

Particulars	Note No.	As at March 31, 2022 ₹ Lakhs	As at March 31, 2021 ₹ Lakhs
ASSETS			
(1) Non-current assets			
a) Property, plant and equipment	1	44	37
b) Intangible assets	2	1,50,755	1,57,114
c) Investment property	3	14	14
d) Financial assets			
i) Other financial assets	4	16	15
	A	**1,50,829**	**1,57,180**
Current assets			
a) Financial assets			
i) Investments	7	-	485
ii) Cash and cash equivalents	8	41	386
iii) Other financial assets	4	1,475	1,581
b) Other current assets	5	225	275
c) Current tax assets (net)	6	47	45
	B	**1,788**	**2,772**
TOTAL	**A+B**	**1,52,617**	**1,59,952**
EQUITY AND LIABILITIES			
EQUITY			
a) Equity share capital	9	8,054	8,054
b) Other equity	0	(56,128)	(43,369)
	C	**(48,074)**	**(35,315)**
LIABILITIES			
(1) Non-current liabilities			
a) Financial liabilities			
i) Borrowings	11	1,35,360	1,41,542
ii) Other financial liabilities	12	18,948	14,780
b) Provisions	13	5,267	6,389
	D	**1,59,575**	**1,62,711**
Current liabilities			
a) Financial liabilities			
i) Borrowings	11	28,622	19,554
ii) Trade payables	14		
- Total outstanding dues of micro and small enterprises		31	13
- Total outstanding dues of creditors other than micro and small enterprises		763	254
iii) Other financial liabilities	12	1,081	1,266
b) Other current liabilities	15	9,700	9,609
c) Provisions	13	919	1,860
	E	**41,116**	**32,556**
Total Equity and Liabilities	**C+D+E**	**1,52,617**	**1,59,952**
Contingent liabilities	F		
Commitments	G		
Other notes forming part of accounts	H		
Significant accounting policies	I		

As per our audit report attached
For M.K.Dandeker & Co.
Chartered Accountants
Firm's Registration No. 000679S
by the hand of

S. Poosaidurai
Partner
Membership No. 223754

Place: Chennai
Date: April 18, 2022

M.K. DANDEKER & CO. #185, (Old No.100), 2nd FLOOR, POONAMALLEE HIGH ROAD, KILPAUK, CHENNAI - 600 010. CHARTERED ACCOUNTANTS

For and on behalf of the Board,

Ms. Esther Malini
Director
(DIN: 07124748)

P.S. Kapoor
Director
(DIN: 02914307)

Ms. C. Indubala
Chief Financial Officer

Ms. Sipra Paul
Company Secretary

Place: Chennai
Date: April 18, 2022

L&T Samakhiali Gandhidham Tollway Limited
CIN No:U45203TN2010PLC074501
Statement of Profit and loss for the year ended March 31, 2022

Particulars	Note No.	Year Ended March 31, 2022 ₹ Lakhs	Year Ended March 31, 2021 ₹ Lakhs
INCOME			
Revenue from operations	16	19,925	17,621
Construction contract revenue		-	204
Other income	17	31	922
Total Income		19,956	18,747
EXPENSES			
Construction contract expenses		-	1,166
Operating expenses	18	4,224	4,299
Employee benefit expenses	19	318	244
Finance cost	20	21,562	20,096
Depreciation and amortisation	1&2	6,376	2,740
Administration and other expenses	21	229	226
Total Expenses		32,709	28,771
Profit/(loss) before tax		(12,753)	(10,024)
Less: Tax expenses		-	-
Profit/(loss) for the year		(12,753)	(10,024)
Other Comprehensive Income			
i) Items that will not be classified to profit or loss (net of tax)			
- Remeasurement of net defined benefit liability or asset		(6)	7
Total Comprehensive Income for the year		(12,759)	(10,017)
Earnings per equity share (Basic and Diluted) (₹)	H(9)	(15.83)	(12.45)
Face value per equity share (₹)		10.00	10.00

Other notes forming part of accounts	H
Significant accounting policies	I

As per our audit report attached
For M.K.Dandeker & Co.
Chartered Accountants
Firm's Registration No. 000679S
by the hand of

S. Poosaidurai
Partner
Membership No. 223754

Place: Chennai
Date: April 18, 2022

M.K. DANDEKER & CO.
#185, (Old No.100), 2nd FLOOR, POONAMALLEE HIGH ROAD, KILPAUK, CHENNAI - 600 010.
CHARTERED ACCOUNTANTS

For and on behalf of the Board,

Ms. Esther Malini
Director
(DIN: 07124748)

P.S. Kapoor
Director
(DIN: 02914307)

Ms. C. Indubala
Chief Financial Officer

Ms. Sipra Paul
Company Secretary

Place: Chennai
Date: April 18, 2022

L&T Samakhiali Gandhidham Tollway Limited
CIN No:U45203TN2010PLC074501
Statement of Cash Flows for the year ended March 31, 2022

S. No.	Particulars	Year Ended March 31, 2022 ₹ Lakhs	Year Ended March 31, 2021 ₹ Lakhs
A	**Cash flow from operating activities**		
	Net profit / (loss) after tax	(12,753)	(10,024)
	Adjustment for:		
	Depreciation and amortisation expense	6,376	2,740
	Other comprehensive income	(6)	7
	Interest expense	21,562	20,119
	Interest income	-	(71)
	(Profit)/loss on sale of current investments (net)	(20)	(24)
	(Profit)/loss on sale of Property, Plant and Equipment	-	(23)
	Operating profit before working capital changes	15,159	12,724
	Adjustments for:		
	Increase / (Decrease) in long term provisions	(1,913)	435
	Increase / (Decrease) in trade payables	527	(148)
	Increase / (Decrease) in other current liabilitites	91	(1,364)
	Increase / (Decrease) in other current financial liabilitites	(154)	-
	Increase / (Decrease) in short term provisions	(941)	932
	Increase / (Decrease) in other financial assets	105	434
	(Increase) / Decrease in other current assets	50	(4)
	Net cash generated from/(used in) operating activities	12,924	13,010
	Net Income tax (paid)/refund	(2)	(772)
	Net Cash(used in)/generated from operating activities	12,922	12,238
B	**Cash flow from investing activities**		
	Purchase of Property, Plant and Equipment	(24)	(3)
	Sale of Property, Plant and Equipment	-	24
	(Purchase)/Sale of current investments (net)	505	(461)
	Changes in other bank balances	-	8
	Interest received	-	71
	Net cash (used in)/generated from investing activities	481	(361)
C	**Cash flow from financing activities**		
	Proceeds/(repayment) from/to Short term borrowings (net)	5,579	(249)
	Repayment of Long term borrowings	(13,846)	(8,534)
	Payment of Deferred liabilities	(1,054)	-
	Interest paid	(4,427)	(4,018)
	Net cash (used in)/generated from financing activities	(13,748)	(12,800)
	Net increase / (decrease) in cash and cash equivalents (A+B+C)	(345)	(923)
	Cash and cash equivalents as at the beginning of the year	386	1,309
	Cash and cash equivalents as at the end of the year	41	386

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

Components of Cash and Cash Equivalents:

Particulars	As at March 31, 2022	As at March 31, 2021
Cash in hand	9	16
Balances with Banks:		
- In trust retention and escrow accounts	31	369
- In Current Accounts	1	1
Total Cash and cash equivalents	41	386

Other notes forming part of accounts	H
Significant accounting policies	I

As per our audit report attached
For M.K.Dandeker & Co.
Chartered Accountants
Firm's Registration No. 000679S
by the hand of

S. Poosaidurai
Partner
Membership No. 223754

Place: Chennai
Date: April 18, 2022

M.K. DANDEKER & CO. #185, (Old No.100), 2nd FLOOR, POONAMALLEE HIGH ROAD, KILPAUK, CHENNAI - 600 010. CHARTERED ACCOUNTANTS

For and on behalf of the Board,

Ms. Esther Malini
Director
(DIN: 07124748)

P.S. Kapoor
Director
(DIN: 02914307)

Ms. C. Indubala
Chief Financial Officer

Ms. Sipra Paul
Company Secretary

Place: Chennai
Date: April 18, 2022

L&T Samakhiali Gandhidham Tollway Limited
CIN No:U45203TN2010PLC074501
Statement of Changes in Equity for the year ended March 31, 2022

A) Equity Share Capital

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of shares	₹ Lakhs	No. of shares	₹ Lakhs
Balance at the beginning of the year	8,05,40,000	8,054	8,05,40,000	8,054
Change in equity share capital due to prior period errors	-	-	-	-
Restated balance at the beginning of the reporting year	8,05,40,000	8,054	8,05,40,000	8,054
Changes in equity share capital during the year	-	-	-	-
Balance at the end of the year	**8,05,40,000**	**8,054**	**8,05,40,000**	**8,054**

B) Other Equity (₹ Lakhs)

As at March 31, 2022

Particulars	Equity component of compound financial instruments	Reserves & Surplus - Retained earnings	Total
Balance at the beginning of the year	22,538	(65,907)	(43,369)
- Profit/(Loss) for the year	-	(12,753)	(12,753)
- Other comprehensive income	-	(6)	(6)
Balance at the end of the year	**22,538**	**(78,666)**	**(56,128)**

As at March 31, 2021

Particulars	Equity component of compound financial instruments	Reserves & Surplus Retained earnings	Total
Balance at the beginning of the year	22,538	(55,890)	(33,352)
- Profit/(Loss) for the year	-	(10,024)	(10,024)
- Other comprehensive income	-	7	7
Balance at the end of the year	**22,538**	**(65,907)**	**(43,369)**

As per our audit report attached
For M.K.Dandeker & Co.
Chartered Accountants
Firm's Registration No. 000679S
by the hand of

S. Poosaidurai
Partner
Membership No. 223754

Place: Chennai
Date: April 18, 2022

For and on behalf of the Board,

Ms. Esther Malini
Director
(DIN: 07124748)

P.S. Kapoor
Director
(DIN: 02914307)

Ms. C. Indubala
Chief Financial Officer

Ms. Sipra Paul
Company Secretary

Place: Chennai
Date: April 18, 2022

M.K. DANDEKER & CO.
#185, (Old No.100),
2nd FLOOR,
POONAMALLEE HIGH ROAD,
KILPAUK,
CHENNAI - 600 010.
CHARTERED ACCOUNTANTS

L&T Samakhiali Gandhidham Tollway Limited

Notes forming part of Accounts

1 Property, Plant and Equipment

(₹ Lakhs)

Particulars	Cost				Depreciation				Book Value	
	As at April 01, 2021	Additions	Deductions	As at March 31, 2022	As at April 01, 2021	For the year	Deductions	As at March 31, 2022	As at March 31, 2022	As as March 31, 2021
Owned										
Plant and Equipment	17	12	-	29	12	2	-	14	15	5
Furnitures and fixtures	13	-	-	13	7	1	-	8	5	6
Vehicles	23	-	-	23	9	2	-	12	12	14
Office equipments	58	5	-	63	48	4	-	52	10	9
Computers, laptops and printers	9	2	4	7	6	2	4	4	2	3
Total	**120**	**19**	**4**	**135**	**82**	**11**	**4**	**90**	**44**	**37**
Previous year	*120*	*3*	*4*	*120*	*74*	*12*	*3*	*82*	*37*	

Refer Note H(22) for information on property, plant and equipments pledged as security.

2 Intangible Assets

Particulars	Cost				Amortisation				Book Value	
	As at April 01, 2021	Additions	Deductions	As at March 31, 2022	As at April 01, 2021	For the year	Deductions	As at March 31, 2022	As at March 31, 2022	As as March 31, 2021
Toll Equipments	1,581	5	-	1,586	1,148	115	-	1,263	323	433
Toll collection rights (Refer note 2(a))	1,68,886	-	-	1,68,886	12,205	6,249	-	18,454	1,50,432	1,56,681
Total	**1,70,467**	**5**	**-**	**1,70,472**	**13,353**	**6,364**	**-**	**19,717**	**1,50,755**	**1,57,114**
Previous year	*1,70,428*	*81*	*41*	*1,70,467*	*10,667*	*2,728*	*41*	*13,353*	*1,57,114*	

Note 2(a): During the financial year, the Company performed a review of the Revenue based Amortisation calculation of Toll Collection Rights and revised the projected Revenues for future years. This has resulted in an increase in the Amortisation expense for the year Rs. 3,125 Lakhs.

M.K. DANDEKER & CO. #185, (Old No.100), 2nd FLOOR, POONAMALLEE HIGH ROAD, KILPAUK, CHENNAI - 600 010. CHARTERED ACCOUNTANTS

L&T Samakhiali Gandhidham Tollway Limited

Notes forming part of Accounts

1 Property, Plant and Equipment

(₹ Lakhs)

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 as March 31, 2020
Owned										
Plant and Equipment	17	-	-	17	10	2	-	12	5	7
Furnitures and fixtures	13	-	-	13	5	1	-	6	7	8
Vehicles	26	-	2	24	10	2	2	10	14	16
Office equipments	58	-	-	58	44	5	-	49	9	14
Computers, laptops and printers	7	3	2	8	4	2	1	5	3	3
Total	**121**	**3**	**4**	**120**	**73**	**12**	**3**	**82**	**38**	**48**
Previous year	*92*	*33*	*5*	*121*	*57*	*20*	*3*	*73*	*47*	

1.a Capital work-in-progress

(₹ Lakhs)

Particulars	Cost			
	As at April 01, 2020	Additions	Capitalised during the year	As at March 31, 2021
Capital work in progress	81	-	81	-
Total	**81**	**-**	**81**	**-**
Previous year	*-*	*81*	*-*	*81*

2 Intangible Assets

(₹ Lakhs)

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 as March 31, 2020
Toll Equipments	1,541	81	41	1,581	1,079	110	41	1,148	433	462
Toll collection rights	1,68,886	-		1,68,886	9,588	2,617	-	12,205	1,56,681	1,59,298
Total	**1,70,427**	**81**	**41**	**1,70,467**	**10,667**	**2,728**	**41**	**13,353**	**1,57,114**	**1,59,760**
Previous year	*1,70,114*	*313*	*-*	*1,70,427*	*7,657*	*3,009*	*-*	*10,667*	1,59,760	

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 (₹ Lakhs)

3 Investment Property

Particulars	As at March 31, 2022			As at March 31, 2021		
	Current	Non-current	Total	Current	Non-current	Total
a) Freehold Land	-	14	14	-	14	14
	-	14	14	-	14	14

4 Other financial assets

Particulars	As at March 31, 2022			As at March 31, 2021		
	Current	Non-current	Total	Current	Non-current	Total
Unsecured, considered good						
- Security deposits	1	16	17	2	15	17
- Receivable from NHAI	1,388	-	1,388	1,550	-	1,550
- Other Receivables	86	-	86	29	-	29
	1,475	16	1,491	1,581	15	1,596

5 Other non-current and current assets

Particulars	As at March 31, 2022			As at March 31, 2021		
	Current	Non-current	Total	Current	Non-current	Total
- Prepaid Insurance	202	-	202	210	-	210
- Prepaid expenses	3	-	3	31	-	31
- GST Input Tax Credit (net)	20	-	20	30	-	30
- VAT recoverable	-	-	-	0	-	0
- Advance to Suppliers	-	-	-	4	-	4
	225	-	225	275	-	275

6 Current tax assets (Net)

Particulars	As at March 31, 2022			As at March 31, 2021		
	Current	Non-current	Total	Current	Non-current	Total
Income tax asset (net of provisions)	47	-	47	45	-	45
	47	-	47	45	-	45

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(₹ Lakhs)

7 Investments

Particulars	As at March 31, 2022 ₹ Lakhs	As at March 31, 2021 ₹ Lakhs
Investments carried at fair value through Profit and Loss:		
- Investments in Liquid mutual funds (Refer note 7(a))	-	485
	-	**485**
Aggregate book value of investments	-	485
Aggregate market value of investments	-	485

Note 7(a): The details balances held in liquid mutual funds are as follows:

Particulars	As at March 31, 2022		As at March 31, 2021	
	Units	₹ Lakhs	Units	₹ Lakhs
NIPPON Overnight Fund-Growth-(Regular Plan)	-	-	4,36,896	485
	-	-	4,36,896	**485**

8 Cash and cash equivalents

Particulars	As at March 31, 2022 ₹ Lakhs	As at March 31, 2021 ₹ Lakhs
a) Balances with banks		
- In trust retention and escrow accounts	31	369
- In current accounts	1	1
b) Cash on hand	9	16
	41	**386**

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L&T Samakhiali Gandhidham Tollway Limited
Notes forming part of Accounts for the year ended March 31, 2022

9 Share Capital (₹ Lakhs)

(i) Authorised, issued, subscribed and paid up:

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of shares	₹ Lakhs	No. of shares	₹ Lakhs
Authorised:				
Equity shares of ₹ 10 each	28,60,30,000	28,603	28,60,30,000	28,603
Issued, subscribed and fully paid up:				
Equity shares of ₹ 10 each	8,05,40,000	8,054	8,05,40,000	8,054

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

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of shares	₹ Lakhs	No. of shares	₹ Lakhs
At the beginning of the year	8,05,40,000	8,054	8,05,40,000	8,054
Issued during the year as fully paid	-	-	-	-
At the end of the year	**8,05,40,000**	**8,054**	**8,05,40,000**	**8,054**

(iii) Equity component of Compulsory Convertible Preference shares:

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of shares	₹ Lakhs	No. of shares	₹ Lakhs
At the beginning of the year	19,81,84,003	19,818	19,81,84,003	19,818
Issued during the year as fully paid	-	-	-	-
At the end of the year	**19,81,84,003**	**19,818**	**19,81,84,003**	**19,818**

(iv) Terms / rights attached to shares:

a. Equity shares:

The Company has only one class of equity shares having a par value of ₹ 10 per shares. Each holder of equity shares is entitled to one vote per shares.
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 class of shareholder.
No dividend has been declared by Board of Directors during the year ended on 31st March, 2022 *(Previous Year - ₹ Nil)*

In the event of liquidation of the Company, the holders of equity shares shall be entitiled to receive the residual assets of the Company, after distribution of all preferential amount.

b. Compulsory Convertible Preference shares:

The preference shares carry a preferential right vis-a-vis Equity shares of the Company with respective to payment of dividend and repayment in case of a winding up or repayment of capital.
Preference share holders shall be Non-participating rights in the surplus funds and surplus assets and profits on winding up which may remain after the entire capital has been repaid.
Preference share holders would be Paid dividend on non cumulative basis.
Preference share holder carry voting rights as per provisions of Section 47 (2) of the Act.
Since the Company does not have profits, no dividend is accrued or payable.
Preference share will be converted into equity share at the option of the company or at the completion of 10th year from the date of allotment.

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(v) Details of Shares held by Holding Company/Ultimate Holding Company/Fellow Subsidiary:

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of shares	₹ Lakhs	No. of shares	₹ Lakhs
Equity Shares:				
Holding Company				
L&T Infrastructure Development Projects Limited (including nominee holding)	8,05,30,000	8,053	8,05,27,000	8,053
Ultimate Holding Company				
Larsen and Toubro Limited	10,000	1	13,000	1
0.01% Compulsory Convertible Preference Shares:				
Holding Company				
L&T Infrastructure Development Projects Limited (including nominee holding)	12,81,84,003	12,818	12,81,84,003	12,818
Fellow Subsidiary				
LTIDPL Indvit Services Limited	7,00,00,000	7,000	7,00,00,000	7,000
	27,87,24,003	**27,872**	**27,87,24,003**	**27,872**

(vi) Details of Shareholders holding more than 5% shares in the Company:

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of shares	%	No. of shares	%
Equity Shares:				
L&T Infrastructure Development Projects Limited (including nominee holding)	8,05,30,000	99.99%	8,05,27,000	99.98%
0.01% Compulsory Convertible Preference Shares:				
L&T Infrastructure Development Projects Limited (including nominee holding)	12,81,84,003	64.68%	12,81,84,003	64.68%
LTIDPL Indvit Services Limited	7,00,00,000	35.32%	7,00,00,000	35.32%

(vii) a) Details of Shareholding of Promoters in the Company as at March 31, 2022:

Particulars	No of Shares	% of Total Shares	% Change during the year
Equity Shares			
L&T Infrastructure Development Projects Limited (including nominee holding)	8,05,30,000	99.99%	No change
0.01% Compulsory Convertible Preference Shares			
L&T Infrastructure Development Projects Limited (including nominee holding)	12,81,84,003	64.68%	No change

(vii) b) Details of Shareholding of Promoters in the Company as at March 31, 2021:

Particulars	No of Shares	% of Total Shares	% Change during the year
Equity Shares			
L&T Infrastructure Development Projects Limited (including nominee holding)	8,05,30,000	99.99%	No change
0.01% Compulsory Convertible Preference Shares			
L&T Infrastructure Development Projects Limited (including nominee holding)	12,81,84,003	64.68%	No change

(viii) Shares reserved for issue under options: Nil

(ix) 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

(x) Call unpaid : Nil; Forfeited Shares : Nil

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L&T Samakhiali Gandhidham Tollway Limited
Notes forming part of Accounts for the year ended March 31, 2022

10 Equity Share Capital

As at March 31, 2022 (₹ Lakhs)

Particulars	Equity component of compound financial instruments	Reserves & Surplus Retained earnings	Total
Balance at the beginning of the year	22,538	(65,906)	(43,368)
- Profit/(Loss) for the year	-	(12,753)	(12,753)
- Other comprehensive income	-	(6)	(6)
Balance at the end of the year	**22,538**	**(78,665)**	**(56,127)**

As at March 31, 2021

Particulars	Equity component of compound financial instruments	Reserves & Surplus Retained earnings	Total
Balance at the beginning of the year	22,538	(55,890)	(33,352)
- Profit/(Loss) for the year	-	(10,023)	(10,023)
- Other comprehensive income	-	7	7
Balance at the end of the year	**22,538**	**(65,906)**	**(43,368)**

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11 Borrowings

(₹ Lakhs)

Particulars	As at March 31, 2022			As at March 31, 2021		
	Current	Non current	Total	Current	Non current	Total
A. Secured borrowings						
a) Term loans from banks (refer note 11(a))	12,213	21,974	34,187	10,334	35,801	46,135
B. Unsecured borrowings						
a) Deferred payment liabilities (refer note 11(a))	3,629	1,13,386	1,17,015	141	1,05,741	1,05,882
b) Loans from Related Parties (refer note 11(a))	12,780	-	12,780	9,079	-	9,079
	28,622	1,35,360	1,63,982	19,554	1,41,542	1,61,096

11 (a) Details of long term and short term borrowings:

Particulars	Short Term / Long Term	Interest rate	Terms of repayment	As at March 31, 2022	As at March 31, 2021
A. Term loans from banks (refer note 11(b))	Long Term	9.05%	Monthly Principal and Interest repayment as per repayment schedule.	34,187	46,135
B (a) Deferred payment liabilities*	Long Term	10.61%	Principal repayable as per Deferrment schedule. Interest and deferred liability to be repaid before end of concession period.	1,17,015	1,05,882
B (b) Loans from related parties:					
- L&T Infrastructure Development Projects Ltd.	Short Term	Interest chargable at mutually agreed rate	Repayable on Demand	5,252	1,551
- Vadodara Bharuch Tollway Limited	Short Term	Interest Free	Repayable on Demand	2,335	2,335
- L&T Transportation Infrastructure Limited	Short Term	Interest Free	Repayable on Demand	5,193	5,193

* Deferred Payment liabilities represents total concession fees of Rs.242018 Lakhs payable to NHAI as per clause 26.2 of the concession agreement. The Present value of deferred payment liabilities is Rs.117015 Lakhs and during the year Rs.1054 Lakhs has been paid.

11 (b) Nature of security for Term loans from banks:

The rupee term loans from banks are secured by a first mortgage and charge on all immovable properties except project assets more particularly
(a) the freehold non-agricultural land of Mouje Zaap of Sudhagad Taluka District Raigad
(b) a first charge on tangible moveable assets except project assets
(c) a charge on the accounts
(d) a charge on all intangibles
(e) charge on uncalled capital
(f) in case of substitution under the Substitution agreement, assignment by way of security of the rights, title and interest , to, under the Project Documents, Government approvals and insurance contracts
(g) rights, title, interest, benefits, claims and demands in, to, under or in respect of all receivables.
The loans are further secured by a pledge of 51% of equity shares upto two years from Commercial Operations Date.

M.K. DANDEKER & CO. #185, (Old No.100), 2nd FLOOR, POONAMALLEE HIGH ROAD, KILPAUK, CHENNAI - 600 010. CHARTERED ACCOUNTANTS

L&T Samakhiali Gandhidham Tollway Limited
Notes forming part of Accounts for the year ended March 31, 2022

11 (c) Presentation of Short term and Long term borrowings in the Balance Sheet is as follows:

Particulars	As at March 31, 2022	As at March 31, 2021
Term loans from banks - Non Current	21,974	35,801
Current maturities of Term loans from banks	12,213	10,334
Deferred payment liabilities - Non Current	1,13,386	1,05,741
Current maturities of Deferred payement liabilities	3,629	141
Interest accrued on Negative Grant (refer note 12)	18,948	14,780

12 **Other financial liabilities**

(₹ Lakhs)

Particulars	As at March 31, 2022			As at March 31, 2021		
	Current	Non current	Total	Current	Non current	Total
a) Interest accrued on:						
i) Negative Grant	-	18,948	18,948	-	14,780	14,780
ii) Loan from Related Parties	42	-	42	72	-	72
b) Payable towards additional fee (Non-Fastag)	20		20	66	-	66
c) Other payables (refer note 12(a) below)	968	-	968	967	-	967
d) Liability for Capital Goods	51	-	51	161	-	161
	1,081	18,948	20,029	1,266	14,780	16,046

Note 12(a): Other payables include an amount of ₹ 962 Lakhs being liability created towards expense on account of non-fulfillment of Change of Scope works and disclosed under Construction Contract Expense.

13 **Provisions**

Particulars	As at March 31, 2022			As at March 31, 2021		
	Current	Non current	Total	Current	Non current	Total
Provision for employee benefits						
- Gratuity	3	11	14	2	6	9
- Leave Encashment	-	4	4	-	5	5
- Retention pay	-	-	-	6	8	14
Provision for major maintenance reserve	916	5,252	6,168	1,851	6,370	8,221
	919	5,267	6,186	1,860	6,389	8,249

M.K. DANDEKER & CO. #185, (Old No.100), 2nd FLOOR, POONAMALLEE HIGH ROAD, KILPAUK, CHENNAI - 600 010. CHARTERED ACCOUNTANTS

14 **Trade payables** (Refer note (H17))

Particulars	As at March 31, 2022	As at March 31, 2021
i) Total Outstanding dues of Micro and Small Enterprises	31	13
ii) Total Outstanding dues of Creditors other than micro and small enterprises:		
a) Dues to related parties:		
- Ultimate Holding Company	4	1
- Holding Company	44	43
b) Dues to others	715	210
	794	267

15 **Other liabilities**

(₹ Lakhs)

Particulars	As at March 31, 2022			As at March 31, 2021		
	Current	Non current	Total	Current	Non current	Total
i) Liability for Expenses	406	-	406	331	-	331
ii) Statutory Liabilities	58	-	58	41	-	41
iii) Other Payables	9,236	-	9,236	9,236	-	9,236
	9,700	-	9,700	9,609	-	9,609

F **Contingent Liabilities**

Particulars	As at March 31, 2022	As at March 31, 2021
Income Tax demand for AY 2013-14	35	35
Claims against the Company not acknowledged as debt	Refer note H(11)	Refer note H(11)

G **Commitments**

(i) Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for as at March 31, 2022 is Nil (Previous year : Nil)

(ii) Other Commitments as at March 31, 2022 is Nil (Previous year : Nil)

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L&T Samakhiali Gandhidham Tollway Limited

Notes forming part of Accounts for the year ended March 31, 2022 (₹ Lakhs)

16 Revenue from operations

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Operating revenue:		
Toll Collections	19,925	17,621
	19,925	**17,621**

17 Other income

Particulars	Year ended March 31, 2022		Year ended March 31, 2021	
Interest income from:				
- Bank deposits	-		56	
- Others	-		14	
		-		71
Profit or (loss) on sale of liquid mutual funds		20		24
Profit/(loss) on disposal of Property, Plant & Equipments		-		23
Insurance claim settlement		-		799
Excess provision written back		11		3
Miscelleneous income		-		2
		31		**922**

18 Operating expenses

Particulars	Year ended March 31, 2022		Year ended March 31, 2021	
Toll Management fees		873		820
Security services		177		174
Insurance		349		348
Concession fee		-		-
Repairs and maintenance:				
- Toll road & bridges	1,028		1,499	
- Plant and machinery	202		56	
- Periodic major maintenance	1,350		1,370	
- Others	62		77	
		2,642		3,002
Professional fees		46		97
Power and fuel		137		179
Expenses reversed on account of claim due to COVID-19		-		(322)
		4,224		**4,299**

19 Employee benefit expenses

Particulars	Year ended March 31, 2022		Year ended March 31, 2021	
Salaries, wages and bonus		214		169
Contributions to and provisions for:				
- Provident fund	10		10	
- Gratuity	3		4	
- Leave encashment	14		-	
- Retention pay	-		5	
		27		19
Director Sitting Fees		6		7
Staff welfare expenses		71		67
Expenses reversed on account of claim due to COVID-19		-		(18)
		318		**244**

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L&T Samakhiali Gandhidham Tollway Limited

Notes forming part of Accounts for the year ended March 31, 2022 (₹ Lakhs)

20 Finance cost

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Interest on:		
- Borrowings from Banks	3,606	5,278
- Borrowings from Holding Company	78	75
- Negative Grant	4,748	3,938
Other borrowing cost	132	149
Unwinding of discount and implicit interest expense on fair value	12,998	11,303
Expenses reversed on account of claim due to COVID-19	-	(647)
	21,562	20,096

21 Administration and other expenses

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Rent, Rates and taxes	11	9
Payments to Auditor (Refer note (a) below)	12	12
Professional fees	81	83
Postage and communication	10	9
Printing and stationery	1	3
Travelling and conveyance	78	71
Bank charges	21	23
Repairs and Maintenance - Others	12	28
Miscellaneous expenses	3	2
Expenses reversed on account of claim due to COVID-19	-	(12)
	229	226

(a) Details of Payments to auditor (including GST) are as follows:

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
a) As auditor	5	4
b) For taxation matters	2	2
c) For other services	5	5
d) For reimbursement of expenses	0	0
Total	12	12

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H) Other Notes forming part of Accounts (₹ Lakhs)

1 Corporate Information

L & T Samakhiali Gandhidham Tollway Limited is a Special Purpose Vehicle (SPV) incorporated on 15-02-2010 for the purpose of strengthening and widening thereof to six lanes of existing 4-lane of 56.16 kilometers. Road stretch from KM 306 to KM 362.16 on Samakhiali to Gandhidham section on National Highway No. 8A in the state of Gujarat and operation and maintenance thereof under Concession Agreement dated 17th March, 2010 with the National Highways Authority of India (NHAI). The Concession is for a period of 24 years including the construction period. At the end of the 24 years the entire facility will be transferred to National Highways Authority of India (NHAI). Independent Engineer and Project Director of National Highway Authority of India have recommended for issuance of provisional completion certificate on 28th February 2015 to NHAI head quarters. The Provisional completion certificate was issued by NHAI on 4th January, 2020.

2 The Company has not earned any income/incurred any expenditure in foreign currency during the year. (previous year: ₹ Nil)

3 Disclosure pursuant to Ind AS 19 "Employee benefits":

i) Defined contribution plan:

The Company's provident fund and super annuation fund are based on the defined contribution plans. Accordingly, the Company's obligation is limited to contribute a specified percentage of its payroll costs to the recognised provident fund and Life Insurance Corporation of India respectively, and ₹ 10 Lakhs (Previous year ₹ 10 Lakhs) was duly contributed.

ii) Defined benefit plans:

a) **Features of its defined benefit plan - Gratuity:**

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

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 ₹ 20,00,000 was not applied
Vesting conditions	5 years of continuous service (Not applicable in case of death / disability)
Benefit eligibility	Upon Death or Resignation / Withdrawal or Retirement
Retirement age	58 years

b) **Features of its defined benefit plans - Leave Encashment:**

Features of the defined benefit plan	Remarks
Salary for Encashment	Basic Salary
Salary for Availment	Cost to company
Benefit event	Death or Resignation or Retirement or Availment
Maximum accumulation	180 Days
Benefit Formula	(Leave Days) × (Salary)/ (Leave Denominator)
Leave Denominator	30
Leaves Credited Annually	33
Retirement Age	58 Years

iii) The Company is responsible for governance of the plan.

iv) **Risk to the Plan**

The 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:

(i) 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.

(ii) 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.

(iii) 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.

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H) Other Notes forming part of Accounts (₹ Lakhs)

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.

v) The amounts recognised in Balance Sheet are as follows:

Particulars		Gratuity plan		Leave Encashment	
		As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
A)	Present value of defined benefit obligation				
	- Wholly funded	20	11	22	15
	- Wholly unfunded	-	-	-	-
		20	11	22	15
	Less : Fair value of plan assets	6	2	18	18
Net Liability / (asset)		14	9	4	(3)

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

Particulars		Gratuity plan		Leave Encashment	
		As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
1	Current service cost	2	3	16	10
2	Past service cost and loss/(gain) on curtailments and settlement	-	-	-	-
3	Net Interest Cost	0	1	1	0
4	Net value of remeasurements on the obligation and plan assets	-	-	8	(5)
5	Adjustment for earlier years	-	-	-	-
Total Charge to Statement of Profit and Loss		3	4	24	5

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H) Other Notes forming part of Accounts

(₹ Lakhs)

vii) Other Comprehensive Income for the year

Particulars	Gratuity plan		Leave Encashment	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Components of actuarial gain/losses on obligations:				
- Due to changes in demographic assumptions	-	-	-	-
- Due to changes in financial assumptions	(1)	0	(1)	(0)
- Due to experience adjustments	7	(8)	7	(5)
Return on plan assets excluding amounts included in interest income	(0)	0	1	0
Amounts recognized in Other Comprehensive Income	6	(7)	7	(6)

viii) Reconciliation of Defined Benefit Obligation:

Particulars	Gratuity plan		Leave Encashment	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Opening balance of the present value of defined benefit obligation	11	14	15	17
Add: Current service cost	2	3	16	10
Add: Interest cost	1	1	2	1
Add/(less): Actuarial losses/(gains)	6	(8)	7	(6)
Less: Benefits paid	-	-	(18)	(7)
Add: Past service cost	-	-	-	-
Closing balance of the present value of defined benefit obligation	20	11	22	15

ix) Reconciliation of Plan Assets:

Particulars	Gratuity plan		Leave Encashment	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Opening value of plan assets	2	1	18	14
Interest Income	0	0	1	1
Return on plan assets excluding amounts included in interest income	0	(0)	(1)	(0)
Contributions by employer	3	1	-	4
Benefits paid	-	-	(0)	(0)
Closing value of plan assets	6	2	18	18

x) Reconciliation of Net Defined Benefit Liability:

Particulars	Gratuity plan		Leave Encashment	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Net opening provision in books of accounts	9	13	(3)	3
Employee Benefit Expense	3	4	24	5
Amounts recognized in Other Comprehensive Income	6	(7)	-	-
	18	10	21	8
Benefits paid by the Company	-	-	(18)	(7)
Contributions to plan assets	(3)	(1)	-	(4)
Closing provision in books of accounts	14	9	4	(3)

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H) Other Notes forming part of Accounts (₹ Lakhs)

xi) Principal actuarial assumptions at the Balance Sheet date:

Particulars	As at March 31, 2022	As at March 31, 2021
1) Discount rate	6.90%	6.50%
2) Salary growth rate	6.00%	6.00%
3) Withdrawal rate	15% at younger ages reducing to 3% at older ages	15% at younger ages reducing to 3% at older ages

xii) A quantitative sensitivity analysis for significant assumption as at March 31, 2022:

Particulars		Gratuity Plan	
	Change in Assumptions	Impact on Defined Benefit Obligation	
	Increase/(Decrease)	Increase/(Decrease) in Assumptions	
	%	₹ Lakhs	%
Discount Rate	0.50%	19	-4.00%
	-0.50%	21	4.28%
Salary Growth Rate	0.50%	21	4.30%
	-0.50%	19	-4.05%
Withdrawal Rate	10.00%	20	0.09%
	-10.00%	20	-0.12%

Particulars		Leave Encashment	
	Change in Assumptions	Impact on Defined Benefit Obligation	
	Increase/(Decrease)	Increase/(Decrease) in Assumptions	
	%	₹ Lakhs	%
Discount Rate	1.00%	-1	-6.60%
	-1.00%	2	7.60%
Salary Escalation	1.00%	2	8.10%
	-1.00%	-2	-7.20%
Attrition Rates	10.00%	0	0.40%
	-10.00%	-0	-0.50%

xiii) Expected cashflows based on past service liability

Particulars	Cash flows	Distribution %
Year-1	2	4.20%
Year-2	2	4.00%
Year-3	2	4.00%
Year-4	2	4.00%
Year-5	1	3.90%
Year-6 to 10	6	16.80%

The expected contributions to the defined benefit plan in the next annual reporting period (March 31, 2023) is ₹ 3 Lakhs

xiv) The major categories of plan assets plan assets are as follows :

Particulars	As at March 31, 2022	As at March 31, 2021
Insurer managed funds	100%	100%
Total	100%	100%

xv) 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.

4 Disclosure pursuant to Ind AS 23 "Borrowing Costs"

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

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5. **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 of operating segments does not arise. The Company does not have operations outside India. Hence, disclosure of geographical segment information does not arise.

6. **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 Panipat Elevated Corridor Limited Ahmedabad Maliya Tollway Limited L&T Halol Shamlaji Tollway Limited L&T Rajkot-Vadinar Tollway Limited L&T Interstate Road Corridor Limited
Key Managerial Personnel :	Mr. Pramod Sushila Kapoor - Director Dr. Esther Malini - Director Mr. Satyanarayana Kalidindi Naga - Independent Director Mr. Jagadip Narayan Singh - Independent Director Mr. Prakash Nayak - Manager (upto December 25, 2021) Mr. Bhushan Babubhai Parmar - Manager (w.e.f. January 11, 2022) Mr. Amit Kumar Chanda - Manager (upto July 31, 2020) Ms. Sipra Paul - Company Secretary Ms. Indubala C - Chief Financial Officer

b) **Disclosure of related party transactions:** (₹ Lakhs)

Nature of transactions	Year ended March 31, 2022 (₹ Lakhs)	Year ended March 31, 2021 (₹ Lakhs)
1. Purchase of goods and services incl. taxes		
L&T Infrastructure Development Projects Ltd.	470	414
Larsen & Toubro Limited	43	51
Panipat Elevated Corridor Project Limited	-	0
2. Sale of goods and services incl. taxes		
Panipat Elevated Corridor Project Limited	-	0
3. Purchase of Property Plant & Equipment		
L&T Interstate Road Corridor Limited	0	-
4. Sale of Property Plant & Equipment		
Ahmedabad - Maliya Tollway Limited	-	9
L&T Halol Shamlaji Tollway Limited	-	9
L&T Rajkot – Vadinar Tollway Limited	-	8
L&T Interstate Road Corridor Limited	0	-
5. Unsecured loan received		
L&T Infrastructure Development Projects Limited	3,600	-
6. Unsecured loan repaid		
L&T Infrastructure Development Projects Limited	-	249
7. Interest on Unsecured loan		
L&T Infrastructure Development Projects Limited	78	75
8. Compensation to Key Management Personnel		
8(a) Director Sitting Fees:		
Jagadip Narayan Singh	3	3
Satyanarayana Kalidindi Naga	3	3
8(b) Salary and Perquisites		
Amit Kumar Chanda	-	7
Prakash Nayak	17	15
Bhushan Babubhai Parmar	3	-

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II) Other Notes forming part of Accounts (₹ Lakhs)

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

(₹ Lakhs)

Particulars	Amounts due (to)/from	
	As at March 31, 2022	As at March 31, 2021
Net Receivables / (Payables):		
Larsen & Toubro Limited	(4)	(1)
L&T Infrastructure Development Projects Limited	(44)	(43)
Unsecured Loans (including interest accrued):		
L&T Infrastructure Development Projects Limited	(5,294)	(1,623)
L&T Transportation Infrastructure Limited	(5,193)	(5,193)
Vadodara Bharuch Tollway Limited	(2,335)	(2,335)

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. There have been no guarantees provided or received for any related party receivables or payables. For the year ended March 31, 2022, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (March 31, 2021: 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) There is no provision for bad and doubtful debts to related parties with regard to outstanding expenses and there is no expense recognized in respect of bad and doubtful debts due from related parties.

f) The Holding Company has provided Bank Guarantees on behalf of the Company:

a) For Rs. 1901 Lakhs as on March 31, 2022 (Previous year Rs. 1757 Lakhs) to meet the Debt Service Reserve requirement.

b) For Rs. 3807 Lakhs (Previous year Rs. 3807 Lakhs) as performance guarantee given to NHAI.

c) For Rs. 9237 Lakhs (Previous year Rs.9237 Lakhs) for availing 75% of the arbitration award to NHAI.

g) The Company has not extended any Loans or Advances in the nature of Loans to specified persons that are repayable on demand during the year (Previous year: Nil)

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H) Other Notes forming part of Accounts

(₹ Lakhs)

7 **Disclosure pursuant to Ind AS 12 - "Income taxes"**

The Company has not recognised any deferred tax liability in the books of accounts as the timing difference arising on account of differences in tax liability as per Income Tax Act, 1961 and books of accounts falls within the tax holiday period under Section 80 IA of the Income Tax, 1961.

8 **Disclosure pursuant to Ind AS 116 - " Leases"**

The Company has not entered into any finance lease. The Company has taken office premises and Guest house under short-term cancellable operating lease, but falls under exemption given in para 5 of Ind AS 116. These agreements are normally renewed on expiry. Lease rental expenses charged to statement of profit and loss during the year is ₹ 8 Lakhs (previous year ₹ 8 Lakhs).

9 **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		2021-22	2020-21
Basic earnings per equity share:			
Profit for the year attributable to owners of the Company for calculating basic earnings per share (₹ Lakhs)	A	(12,753)	(10,024)
Weighted average number of equity shares outstanding for calculating basic earnings per share	B	8,05,40,000	8,05,40,000
Basic earnings per equity share (₹)	A / B	**(15.83)**	**(12.45)**
Diluted earnings per equity share (₹)	C	**(0.00)**	**(0.00)**
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."

10 **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.

11 **Disclosures as per Ind AS 37 - "Provisions, Contingent Liabilities and Contingent assets "**

a) Nature of provision:

The Company is required to operate and maintain the project highway during the entire concession period and hand over the project back to the 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 equipment and maintenance of service roads.

The concession agreement, requires the company to maintain the project highway at certain quality standards specified in the agreement during the concession period. Accordingly, in the current year the company has considered the provision for major maintenance expenditure based on current technical estimates. However, it is impracticable to ascertain amount of impact of change in estimate on future period.

b) Movements in Major Maintenance Reserve:

Particulars	As at March 31, 2022	As at March 31, 2021
Opening balance	8,221	6,181
Add: Additions during the year	1,350	1,370
Add: Unwinding of discount and changes in discount rate	791	669
Less: Utilisation during the year	(4,194)	-
Closing balance	**6,168**	**8,221**

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H) **Other Notes forming part of Accounts**

c) Contingent liabilities:

i. Arbitrations with NHAI

a) Change of Scope (COS) claim

During the course of implementation of the Project, the Company undertook certain works which were beyond the Scope of the Project and claimed for reimbursement of the costs amounting Rs.14,908 Lakhs under Change of Scope from NHAI in terms of the Concession Agreement.

Further, as per the terms of the CA, NHAI has to maintain the Project Highway till the Appointed Date, and, as the NHAI failed to maintain the same, the Company had to undertake the maintenance work and incurred certain costs. NHAI had paid part of that cost and with held the balance amount.

On 11.03.2016, the NHAI and the Company entered into a Supplementary Agreement wherein the Arbitration clause as mentioned in Article 44.3 of the CA was amended to give effect that any dispute/difference between the Parties, arising out of the CA which is not settled amicably as provided in Article 44.2 of the CA shall be settled by Arbitration and the dispute shall be referred to SAROD for resolution by Arbitration in accordance with the Rules of SAROD and Arbitration & Conciliation Act, 1996.

As NHAI had rejected the claims of the Company, and as per the agreement, the Company declared the same as Dispute and referred the same for Arbitration on 13.07.2016.

An Arbitral Tribunal was constituted on 24.10.2016 and it had pronounced its unanimous Award on 11.11.2018 in favour of the Company, wherein NHAI was directed to pay an amount of Rs.11,520 Lakhs to the Company within 60 days from the date of award. If NHAI fails to make the payment within the stipulated time, further interest @18% per annum on the outstanding amount till settlement, also have to be paid by NHAI.

Subsequently, NHAI challenged the Award under Section 34 of the Arbitration and Conciliation Act, 1996 before the High Court of Delhi. In the meantime, as directed by the NITI Aayog policy, NHAI had released 75% of the Award, amounting to Rs.9,236 Lakhs to the Company on 27.08.2019 against submission of a Bank guarantee for Rs.9,237 Lakhs. The case was listed for arguments on admission in the High Court of Delhi.

During the hearing of the case on 14.03.2022, the Company informed the Court that there are certain preliminary submissions that need to be dealt with before hearing the matter. The case was adjourned to 10.05.2022 for arguments on preliminary submissions of the Company.

b) Material Adverse Effect (MAE) & Other claims

During the course of the execution of the Project, various claims were raised by the Company with NHAI which eventually culminated in the creation of Disputes between the parties. There have been efforts to arrive at mutually acceptable negotiated resolutions to these Disputes by the parties which eventually failed to yield solutions.

The Company had referred these disputes for conclusion with NHAI. As there was no settlement arrived even after a prolonged discussion, the Company invoked arbitration under the SAROD Rules; an arbitration panel comprising of a three member bench was formed. The first meeting was held on 20.08.2019 and further process is still on. The total claims lodged by the Company is Rs.74,303 Lakhs including interest, against which, the NHAI made counter claims for Rs.1,83,246 Lakhs including interest.

However, the counter claim by NHAI amounting to Rs.1,83,246 Lakhs against the Concessionaire towards various issues, which was not notified earlier as disputes was brought before the Tribunal. The next hearing of the Arbitral tribunal is yet to be notified. As the Tribunal had disallowed the similar counter claims in the earlier arbitration for COS related claims, on the fact that requisite dispute resultion process has not been adhered to by NHAI, the Company is confident of rebutting the aforesaid claims in the tribunal and ensuring favourable disposal in the matter.

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II) Other Notes forming part of Accounts

12 COVID-19 Disclosure & Claim with NHAI

Due to 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 had continued with respect to the regular maintenance and operations of the Plazas.

The company is protected by the clauses of the Concession Agreement to claim such loss under force majeure event, either in the form of force majeure cost or revenue loss compensation by way of extension of the concession period or by both.

This toll stoppage, forming part of Force Meajure event, continued till April 19th, 2020 and the toll collections resumed on 20th April, 2020. The Company had lodged the claims with NHAI Vide Letter dated 23.12.2020 and awaiting for Approval of Authority. During the financial year 2020-21, the Company has accounted ₹ 999 Lakhs (equivalent to extension of 24 days) in the books towards COVID-19 claim and is marked as receivable from NHAI. Amortization for the year is also calculated based on the extended period.

13 Going Concern

Since the Company operates in the infrastructure business sector, it is required to make huge capital investments. The Company's net worth has been eroded primarily due to high depreciation, high interest on term loans and interest on deferred premium liability. However, the mangement 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 the Company will be able to discharge all its obligations in foreseeable future. Accordingly, the financial statements have been prepared on going concern basis.

14 Disclosures pursuant to Ind AS 1 - "Presentation of Financial Statements"

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders. The primary objective of the Company's capital management is to maximize shareholder value.

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H Other Notes forming part of financial statements

(₹ Lakhs)

15 Disclosure pursuant to Micro, Small and Medium Enterprises Development Act, 2016 (MSMED Act):

S.No.	Particulars	As at March 31, 2022	As at March 31, 2021
(i)	Principal amount remaining unpaid to any supplier at the end of year	31	13
(ii)	Interest accrued and due thereon to suppliers under MSMED Act on the above amount remaining unpaid to any supplier at the end of year	-	-
(iii)	Payment amount made to the supplier (other than interest) beyond the appointed day during the year	-	-
(iv)	Interest amount paid by the buyer in terms of section 16 of the MSMED Act, 2006	-	-
(v)	Interest amount paid by the buyer under MSMED Act, 2006 (other than Section 16)	-	-
(vi)	Interest amount due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	-	-
(vii)	Interest amount accrued and remaining unpaid at the end of the year	-	-
(viii)	Further, interest amount remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act, 2006	-	-

Note: The information has been given in respect of such vendors to the extent they could be identified as "Micro, Small and Medium" enterprises on the basis of information available with the Company.

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H Other Notes forming part of financial statements

16 Additional Regulatory Information:

i) **Title Deeds of Immovable Property not held in the name of the Company**

There are no Title Deeds of Immovable Property not held in the name of the Company.

ii) **Fair Valuation of Investment Property**

During the year the Company has not revalued the Investment Property.

iii) **Revaluation of Property, Plant and Equipment and Right-of-Use Assets**

During the year, no revaluation of Property, Plant and Equipment and Right-of-Use Assets has been done by the Company.

iv) **Revaluation of Intangible Assets**

The Company has no Intangible Assets.

v) **Details of Benami Properties held**

No proceedings have been intiated or pending against the Company for holding any Benami Property under the Benami Transactions (Prohibitions) Act, 1988 and the rules made thereunder.

vi) **Borrowings secured against Current Assets**

The Company has no Borrowings from Banks or Financial Institutions on the basis of security of Current Assets.

vii) **Wilful Defaulter**

The Company has not been declared as wilful defaulter by any bank or financial institution or other lender during the year.

viii) **Relationship with Struck off Companies**

The Company had no transactions with Companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956 during the year.

ix) **Registration of charges or satisfaction with Registrar of Companies (ROC)**

The Company has no charges or satisfaction yet to be registered with ROC beyond the statutory period during the year.

x) **Compliance with number of layers of Companies**

The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Companies Act read with Companies (Restriction on number of layers) Rules, 2017 during the year.

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H Other Notes forming part of financial statements

16 <u>Additional Regulatory Information:</u>

xi) **Compliance with approved Schemes of Arrangements**

During the year, the Company has no Scheme of Arrangements approved by the Competent Authority to be implemented in the books of accounts.

xii) **Utilisation of Borrowed funds and Share Premium**

a) During the year, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

b) During the year, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

xiii) **Disclosure in relation to Undisclosed Income**

The Company does not have any transaction not recorded in the books of accounts that has been surrendered or disclosed as Income during the year in the tax assessments under the Income Tax Act, 1961.

xiv) **Details of Crypto Currency or Virtual Currency**

The Company has not traded or invested in Crypto currency or Virtual currency during the financial year.

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H Other Notes forming part of Accounts

17 Ageing of Trade Payables

A) As at March 31, 2022 (₹ Lakhs)

S.No.	Particulars	Outstanding for following period from due date of payment*					Total
		Not due	< 1 Year	1 – 2 Years	2 – 3 Years	> 3 Years	
1	(i) MSME	31	-	-	-	-	31
2	(ii) Others	105	389	208	1	12	715
3	(iii) Related parties	48	-	-	-	-	48
4	(iv) Disputed Dues - MSME	-	-	-	-	-	-
5	(v) Disputed Dues - Others	-	-	-	-	-	-
6	Disputed Dues - Related parties	-	-	-	-	-	-
	Total	**184**	**389**	**208**	**1**	**12**	**794**

*Date of transaction is considered as due date in cases where no due date of payment is specified

B) As at March 31, 2021 (₹ Lakhs)

S.No.	Particulars	Outstanding for following period from due date of payment*					Total
		Not due	< 1 Year	1 – 2 Years	2 – 3 Years	> 3 Years	
1	(i) MSME	13	-	-	-	-	13
2	(ii) Others	145	32	18	4	10	210
3	(iii) Related parties	44	-	-	-	-	44
4	(iv) Disputed Dues - MSME	-	-	-	-	-	-
5	(v) Disputed Dues - Others	-	-	-	-	-	-
6	Disputed Dues - Related parties	-	-	-	-	-	-
	Total	**202**	**32**	**18**	**4**	**10**	**267**

*Date of transaction is considered as due date in cases where no due date of payment is specified

L&T Samakhiali Gandhidham Tollway Limited

II Other Notes forming part of Accounts

18 Financial Ratios

S.No.	Ratios	Formula	Explanations	2021-22	2020-21	% Change in ratio	Explanation provided for any change in ratio by more than 25% in current year as compared to previous year
1	Current Ratio	Current Asstes / Current Liability		0.04 : 1	0.09 : 1	-48.93%	Due to pervious year Investment & cash balance
2	Debt – Equity Ratio	Total Debt / Total Equity		(3.15) : 1	(4.30) : 1	-26.93%	Due to repayment of Term Loan
3	Debt Service Coverage Ratio	EBITDA / (Interest + Principal)		0.98 Times	0.93 Times	5.08%	
4	Return on Equity Ratio	Profit After Tax / Average Total Equity	Average Total Equity = (Opening Total Equity + Closing Total Equity) / 2	30.59%	33.08%	-7.52%	
5	Inventory Turnover Ratio	Cost of Goods Sold / Average Inventory	Average Inventory = (Opening Inventory + Closing inventory) / 2	Not applicable	Not applicable	Not applicable	
6	Trade Receivables Turnover Ratio	Revenue from Operations/ Average Accounts Receivable	Average Accounts Receivable = (Opening Receivable + Closing Receivable) / 2	Not applicable	Not applicable	Not applicable	
7	Trade Payables Turnover Ratio	Total Purchase / Average Accounts Payable	Average Accounts Payable = (Opening Payable + Closing Payable) / 2	4.31 Times	12.73 Times	-66.16%	Increase in trade payable due to Major Maintenance Work
8	Net Capital Turnover Ratio	Revenue from Operations / Shareholders Equity		(0.58) Times	(0.62) Times	-7.14%	
9	Net Profit Ratio	Profit After Tax / Revenue from Operations		-64.01%	-56.89%	12.51%	
10	Return on Capital Employed	EBIT / Capital Employed	Capital Employed = Total Equity + Total Debts	8.01%	13.80%	-41.97%	Due to previous year Major repair works
11	Return on Investment	Profit After Tax / Total Equity		Not applicable	16.62%	Not applicable	

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[Other Notes forming part of Accounts

) Financial Instruments

Disclosure of Financial Instruments by Category (₹ Lakhs)

Financial instruments by categories	Note No.	As at March 31, 2022			As at March 31, 2021		
		FVTPL	FVTOCI	Amortized cost	FVTPL	FVTOCI	Amortized cost
Financial Assets							
Security Deposits	4	-	-	17	-	-	17
Receivable from NHAI	4	-	-	1,388	-	-	1,550
Other Financial Assets	4	-	-	86	-	-	29
Investments	7	-	-	-	485	-	-
Cash and Cash Equivalents	8	-	-	41	-	-	386
Total Financial Assets		-	-	1,532	485	-	1,982
Financial liabilities							
Term Loans from Banks	11	-	-	34,187	-	-	46,135
Loans from related parties	11	-	-	12,780	-	-	9,079
Deferred payment liabilities (Including Interest)	11	-	-	1,17,015	-	-	1,20,663
Other Financial Liabilities	12	-	-	20,029	-	-	16,046
Trade Payables	14	-	-	794		-	267
Total Financial Liabilities		-	-	1,84,805	-	-	1,92,190

Defaults and breaches:

There are no defaults with respect to payment of principal interest, sinking fund 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.

0 Fair value of Financial asset and liabilties at amortized cost

Particular	Note No.	As at March 31, 2022		As at March 31, 2021	
		Carrying amount	Fair value	Carrying amount	Fair value
Financial Assets					
Security Deposits	4	17	17	17	17
Receivable from NHAI	4	1,388	1,388	1,550	1,550
Other Financial Assets	4	86	86	29	29
Cash and Cash Equivalents	8	41	41	386	386
Total Financial Assets		1,532	1,532	1,982	1,982
Financial liability					
Term Loans from Banks	11	34,187	34,187	46,135	46,135
Loans from related parties	11	12,780	12,780	9,079	9,079
Deferred payment liabilities (Including Interest)	11	1,17,015	1,17,015	1,20,663	1,20,663
Other Current Financial Liabilities	12	20,029	20,029	16,046	16,046
Trade Payables	14	794	794	267	267
Total Financial Liabilities		1,84,805	1,84,805	1,92,190	1,92,190

The carrying amount of current financial assets and current trade 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 Rupee Term Loan and Loan from Related Party approximate fair value as the instruments are at prevailing market rate.

The carrying value of Deferred payment liabilities (including Interest) reasonably approximates its fair value, hence their carrying value is considered to be same as their fair value.

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II Other Notes forming part of Accounts

21 Fair Value Measurement

21.1 Fair value hierarchy

- Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly
- Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

21.2 **Valuation Technique used to determine Fair Value:**

Specific valuation techniques used to value financial instruments include:

- Use of quoted market prices for Listed instruments

21.3 **The table below represents Fair Value Hierarchy of Financial assets and Financial liabilities as at March 31, 2022:**

(₹ Lakhs)

Financial Assets & Liabilites Measured at FV - Recurring FVM	Note No.	Level 1	Level 2	Level 3	Total
Financial Assets measured at FVTPL					
Investments in Mutual Funds	7	-	-	-	-
Total of Financial Assets		-	-	-	-
Financial Liabilities measured at FVTPL	-	-	-	-	-
Total of Financial Liabilities		-	-	-	-

Financial Assets & 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	4	-	17	-	17
Receivable from NHAI	4	-	1,388	-	1,388
Other Financial Assets	4	-	86	-	86
Cash and Cash Equivalents	8	-	41	-	41
Total of Financial Assets		-	1,532	-	1,532
Financial Liabilities					
Term Loan from Banks	11	-	34,187	-	34,187
Loans from related parties	11	-	12,780	-	12,780
Deferred payment liabilities (Including Interest)	11	-	1,17,015	-	1,17,015
Other Current Financial Liabilities	12	-	20,029	-	20,029
Trade Payables	14	-	794	-	794
Total Financial liabilties		-	1,84,805	-	1,84,805

21.4 **The table below represents Fair Value Hierarchy of Financial assets and Financial liabilities as at March 31, 2021:**

Financial Assets & Liabilites Measured at FV - Recurring FVM	Note No.	Level 1	Level 2	Level 3	Total
Financial Assets measured at FVTPL					
Investments in Mutual Funds	7	485	-	-	485
Total of Financial Assets		485	-	-	485
Financial Liabilities measured at FVTPL		-	-	-	-
Total of Financial Liabilities		-	-	-	-

Financial Assets & 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	4	-	17	-	17
Receivable from NHAI	4	-	1,550	-	
Other Financial Assets	4	-	29	-	29
Cash and Cash Equivalents	8	-	386	-	386
Total Financial Assets		-	1,982	-	432
Financial Liabilities					
Term Loan from Banks	11	-	46,135	-	46,135
Loans from related parties	11	-	9,079	-	9,079
Deferred payment liabilities (Including Interest)	11	-	1,20,663	-	1,20,663
Other Current Financial Liabilities	12	-	16,046	-	16,046
Trade Payables	14	-	267	-	267
Total Financial Liabilities		-	1,92,190	-	1,92,190

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.

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21.5 **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
Other Financial assets	Income	Cash flow
Financial liabilities		
Term Loan from Banks	Income	Current Bank Rate
Loans from Related parties	Income	Current Bank Rate
Trade Payables	Income	Cash flow
Other Financial Liabilities	Income	Cash flow

22 **Assets pledged as security**

(₹ Lakhs)

Particulars	Note No.	31.03.2022	31.03.2021
Non Financial Assets			
Property, Plant & Equipment	1	44	37
Investment Property	3	14	14
Intangible Assets	2	1,50,755	1,57,114
Financial Assets			
Cash and Cash Equivalents	8	41	386
Investments in Mutual Funds	7	-	485
Other Financial Assets	4	1,491	1,596
TOTAL		1,52,345	1,59,632

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H) Other Notes forming part of Accounts

23 Financial Risk Management **(₹ Lakhs)**

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.

A) 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, lending by Commercial Banks is at variable rate only, which is the inherent business risk.

(a) The Company's exposure to interest rate risk due to variable interest rate borrowings is as follows:

Particulars	FY 2021-22	FY 2020-21
Senior Debt from Banks - Variable rate borrowings	34,187	46,135

(b) Sensitivity analysis based on average outstanding Senior Debt - Interest Rate Risk Analysis

Increase or decrease in interest rate by 25 base point	100	126

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 Funds is as follows:

Particulars	Note No.	FY 2021-22	FY 2020-21
Investments in Mutual Funds *	7	-	485

* During the year, Company has not made any Investment in mutual funds.

Sensitivity Analysis-Increase or decrease in NAV by 2%	-	-

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

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L&T Samakhiali Gandhidham Tollway Limited

H) Other Notes forming part of Accounts

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 bank 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

(₹ Lakhs)

As at March 31, 2022	Carrying Amount	upto 1 year	1 - 2 years	2 - 5 years	> 5 years
Non Derivative Financial Liabilities					
Senior Debt from Banks	34,187	12,213	14,092	7,882	0
Trade Payables	794	794	-	-	-
Loans from Related Parties	12,780	12,780	-	-	-
Deferred payment liabilities (Including Interest)	1,32,334	3,629	4,010	46,792	77,903
Derivative Financial Liabilities	NIL	NIL	NIL	NIL	NIL

As at March 31, 2021	Carrying Amount	upto 1 year	1 - 2 years	2 - 5 years	> 5 years
Non Derivative Financial Liabilities					
Senior Debt from Banks	46,135	10,334	12,213	23,588	-
Trade Payables	267	267	-	-	-
Loans from Related Parties	9,079	9,079	-	-	-
Deferred payment liabilities (Including Interest)	1,20,522	-	515	7,073	1,12,934
Derivative Financial Liabilities	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. . Hence, the management believes that the company is not exposed to any credit risk.

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H) Other Notes forming part of Accounts

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

i. Description and classification of the arrangment

L&T Samakhiali Gandhidham Tollway Limited is a Special Purpose Vehicle (SPV) incorporated on 15-02-2010 for the purpose of strengthening and widening thereof to six lanes of existing 4-lane of 56.16 kilometers. Road stretch from KM 306 to KM 362.16 on Samakhiali to Gandhidham section on National Highway No. 8A in the state of Gujarat and operation and maintenance thereof under Concession Agreement dated 17th March, 2010 with the National Highways Authority of India (NHAI). The Concession is for a period of 24 years including the construction period. At the end of the 24 years the entire facility will be transferred to National Highways Authority of India (NHAI).

ii. Significant Terms of the arrangements

(a) Revision of Fees:

Fees shall be revised annually on April 01 as per Schedule R of the Concession Agreement dated March 17, 2010.

(b) Concession Fee & Additional Concession Fees:

As per Article 26 of the Concession Agreement, the company is liable to pay Concession Fee ₹1 every year. The company is also liable of payment of Premium ₹58.41 Crs on the appointed date and 5% increase in each year.

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. Obligations of the Company

a) The Company 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 Highway nor transfer, lease or part possession thereof, save and except as expressly permitted by CA or the Substitution Agreement.

b) The Company is under obligation to carry out the routine and periodic maitenance of Project Highway as per Schedule K 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 37 of the CA.

vii. Significant Changes in the terms Original Concession Agreement as on 31st March 2022.

During the intial years of concession period, the project suffered huge shortfall of toll collections. After necessary requisition with NHAI, and in line with the recommendations suggested by 'Rengarajan committee', NHAI has granted deferment of negative payment along with interest, vide letter dated 10th November 2015 to start paying from financial year 2021-22.

25 The figures for the previous year have been regrouped/rearranged wherever necessary to make them comparable with the current period's figures.

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1. 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 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

The financial statements upto to the year ended 31 March 2016 were prepared in accordance with the accounting standards notified under the Companies (Accounting Standard) Rules, 2006 as amended and other relevant provisions of the Act.

(b) Basis of measurement

The financial statements have been prepared on a historical cost basis, except for the following items

Item	Measurement basis
Certain financial assets and liabilities	Fair value
Net defined benefit (asset)/liability	Fair value of plan assets less present value of defined benefit obligations
Assets held for sale	fair value less costs to sell

(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.

(d) Measurement of fair values

A number of the accounting policies and disclosures require the measurement of fair values for both financial and non-financial assets and liabilities. Fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows;

• Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that entity can access at measurement date

• Level 2 inputs other than quoted prices included in Level 1, that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and

• Level 3 inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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.

Amounts in the financial statements are presented in Indian Rupees rounded off to nearest lakhs 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 collection from users of the infrastructure facility constructed by the Company under the Service Concession Arrangement is recognised in the period of collection of toll / user fee which coincides with the usage of the infrastructure facility net of revenue share payable to NHAI / state authorities. Income from sale of smart cards is recognised on cash basis.

b) Interest income is recognised on a time proportion basis taking into account the amount outstanding and the applicable rate. Interest Income on non-performing assets is recognised upon realization, as per guidelines issued by the Reserve Bank of India.

c) License fees for way-side amenities are accounted on accrual basis.

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I. Significant Accounting Policies

d) Contract revenue for fixed price contracts is recognised only to the extent of cost incurred that it is probable will be recoverable till such time the outcome of the job cannot be ascertained reliably. When the outcome of the contract is ascertained reliably, contract revenue is recognised at cost of work performed on the contract plus proportionate margin, using the percentage of completion method. Percentage of completion is the proportion of cost of work performed to-date, to the total estimated contract costs.

Percentage of completion is determined based on the proportion of actual cost incurred to the total estimated cost of the project. The percentage of completion method is applied on a cumulative basis in each accounting period to the current estimates of contract revenue and contract costs. The effect of a change in the estimate of contract revenue or contract costs, or the effect of a change in the estimate of the outcome of a contract, is accounted for as a change in accounting estimate and the effect of which are recognised in the Statement of Profit and Loss in the period in which the change is made and in subsequent periods.

For the purposes of recognising revenue, contract revenue comprises the initial amount of revenue agreed in the contract, the variations in contract work, claims and incentive payments to the extent that it is probable that they will result in revenue and they are capable of being reliably measured.

For this purpose, actual cost includes cost of land and developmental rights but excludes borrowing cost. Expected loss, if any, on the construction activity is recognised as an expense in the period in which it is foreseen, irrespective of the stage of completion of the contract.

When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense in the Statement of Profit and Loss in the period in which such probability occurs.

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

f) Dividend income is recognised when the right to receive the same is established by the reporting date.

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

4 Cash and bank balances

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.

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L&T Samakhiali Gandhidham Tollway Limited

I. **Significant Accounting Policies**

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.

The estimated useful lives of the assets are as follows:

Category of Property, plant and equipment	Estimated useful life (in years)
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 equipments:	
Multifunctional devices, printers, switches and projectors	4
Other office equipments	5
Computers:	
Servers and systems	6
Desktops, laptops, etc,	3
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 revenue based amortisation method prescribed under Schedule II to the Companies Act, 2013. Under the revenue based method, amortisation is provided based on proportion of actual revenue earned till the end of the year to the total projected revenue from the intangible asset expected to be earned over the concession period. Total projected revenue is reviewed at the end of each financial year and is adjusted to reflect the changes in earlier estimate vis-a-vis the actual revenue earned till the end of the year so that the whole of the cost of the intangible asset is amortised over the concession period.

For transition to IndAS, the Company has availed the option to continue with the Revenue based 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 Indian GAAP.

8 **Exceptional items**

On certain occasions, the size, type or incidence of an item of income or expense is such that its disclosure improves an understanding of the performance of the Company. Such income or expense is classified as an exceptional item and accordingly disclosed in the notes to accounts.

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CHARTERED ACCOUNTANTS

I. **Significant Accounting Policies**

9 **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 Highways Authority of India ("NHAI")/State authorities, 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.

Extension of concession period by the authority in compensation of claims made are capitalised as part of Toll Collection Rights at the time of admission of the claim or when there is a contractual right to extension at the estimated amount of claims admitted or computed based on average collections whichever is more evident.

Any Viability Gap Funding (VGF) in the form of equity support in connection with project construction is accounted as a receivable and is adjusted to the extent of actual receipts.

Pre-operative expenses including administrative and other general overhead expenses that are directly attributable to the development or acquisition of intangible assets are allocated and capitalized as part of cost of the intangible assets.

Intangible assets that not ready for the intended use on the date of the Balance Sheet are disclosed as "Intangible assets under development".

b) **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.

10 **Foreign currency transactions and translations**

a) Transactions in foreign currencies entered into by the Company are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.

b) Financial statements of overseas non-integral operations are translated as under :

i) Assets and liabilities at rate prevailing at the end of the year. Depreciation and amortisation is accounted at the same rate at which assets are converted

ii) Revenues and expenses at yearly average rates prevailing during the year

c) Exchange differences that arise on settlement of monetary items or on reporting of monetary items at each Balance Sheet date at the closing rate are :

(a) adjusted in the cost of fixed assets specifically financed by the borrowings contracted, to which the exchange differences relate.

(b) recognised as income or expense in the period in which they arise except for:
i. exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs in a foreign currency not translated.
ii. exchange differences on transactions entered into in order to hedge certain foreign currency risks; and
iii. exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to profit or loss on repayment of the monetary items

d) Exchange differences arising on settlement / restatement of short-term foreign currency monetary assets and liabilities of the Company are recognised as income or expense in the Statement of Profit and Loss.

e) Financial statements of foreign operations are translated into Indian Rupees as follows:
(i) assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
(ii) income and expenses for each income statement are translated at average exchange rates; and
(iv) all resulting exchange differences are recognised in other comprehensive income and accumulated in equity as foreign currency translation reserve (FCTR) and the same is subsequently reclassified to profit or loss on disposal of a foreign operation.

f) Exchange difference on long-term foreign currency monetary items: The exchange differences arising on settlement / restatement of long-term foreign currency monetary items are capitalized as part of the depreciable fixed assets to which the monetary item relates and depreciated over the remaining useful life of such assets.

g) Premium / discount on forward exchange contracts, which are not intended for trading or speculation purposes, are amortized over the period of the contracts if such contracts relate to monetary items as at the Balance Sheet date. Any profit or loss arising on cancellation or renewal of such a forward exchange contract is recognised as income or as expense in the period in which such cancellation or renewal is made.

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I. Significant Accounting Policies

11 Government grants

Government grants are recognised when there is reasonable assurance that the Company will comply with the conditions attached to them and the grants will be received. Government grants whose primary condition is that the Company should purchase, construct or otherwise acquire capital assets are presented by deducting them from the carrying value of the assets. Government grants in the nature of promoters' contribution like investment subsidy, where no repayment is ordinarily expected in respect thereof, are treated as capital reserve.

12 Investments

Trade investments comprise investments in entities in which the Group 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 classified as long term investments.

Long-term investments (excluding investment properties), are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried individually, at the lower of cost and fair value. Cost of investments include acquisition charges such as brokerage, fees and duties. The determination of carrying amount of such investments is done on the basis of weighted average cost of each individual investment.

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

13 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 Group'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. Actuarial gains and losses are recognised immediately in the Statement of Profit and Loss.

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I. **Significant Accounting Policies**

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 classified under finance cost. The balance charge 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.

14 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.

15 Segment reporting

The Group identifies primary segments based on the dominant source, nature of risks and returns and the internal organization and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit / loss amounts are evaluated regularly by the executive Management in deciding how to allocate resources and in assessing performance.

The accounting policies adopted for segment reporting are as per Indian Accounting Standard 108 "Operating Segments" (IND AS 108). Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment. The identification of operating segments and reporting of amounts is consistent with performance assessment and resource allocation by the management.

Inter-segment revenue is accounted on the basis of transactions which are primarily determined based on market / fair value factors.

Revenue, expenses, assets and liabilities which relate to the Group as a whole and are not allocable to segments on reasonable basis have been included under 'unallocated revenue / expenses / assets / liabilities'.

16 Leases

The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether

(i) the contract involves the use of an identified asset

(ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and

(iii) the Company has the right to direct the use of the asset.

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

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

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

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I. **Significant Accounting Policies**

Right-of-use assets are depreciated from the commencement date on a straight line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e.the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cashflows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

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

17 **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.

18 **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 and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

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.

19 **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.

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1. Significant Accounting Policies

20 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.

Contingent liabilities are disclosed in notes in case of a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation or a present obligation arising from past events, when no reliable estimate is possible. Contingent assets are disclosed in the financial statements where an inflow of economic benefits are probable.

21 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 (unless the same are designated as fair value through profit or loss (FVTPL)):
• 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 (unless the same are designated as fair value through profit or loss)
• 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.

Debt instruments at FVTPL is a residual category for debt instruments and all changes are recognised in 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 income, dividend income and exchange difference (on debt instrument) on FVTOCI debt instruments is recognised in profit or loss and other changes in fair value are recognised in OCI and accumulated in other equity. 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.

A financial asset is primarily derecognised when:
i.the rights to receive cash flows from the asset have expired, or
ii. the group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a pass-through arrangement; and with a)the group has transferred substantially all the risks and rewards of the asset, or b) the group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

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, lease receivables, trade receivables 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.

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I. **Significant Accounting Policies**

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.

Financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

Financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

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.

Impairment of financial assets (Expected Credit Loss Model)

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, debt instruments at FVTOCI, lease receivables, trade receivables, other contractual rights to receive cash or other financial asset and financial guarantees not designated at FVTPL

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract/agreement and all the cash flows that the Company expects to receive (i.e.. all cash shortfalls), discounted at the original effective interest rate. The Company estimates cash flows by considering all contractual terms of the financial instrument, through the expected life of the financial instrument.

The Company measures the loss allowance for a financial instrument at an amount equal to the life-time expected credit losses if the credit risk on that financial instrument has increase significantly since initial recognition. If the credit risk has not increased significantly, the Company measures the loss allowance at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses and represent the life-time cash shortfalls that will result if the default occurs within 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the financial instrument instead of a change in the amount of the expected credit loss. To achieve that, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

22 **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 and it is reasonable to expect ultimate collection.

23 **Operating Cycle**

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

M.K. DANDEKER & CO. #185, (Old No.100), 2nd FLOOR, POONAMALLEE HIGH ROAD, KILPAUK, CHENNAI - 600 010. CHARTERED ACCOUNTANTS

1. **Significant Accounting Policies**

24 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.

25 **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 audit report attached
For M.K.Dandeker & Co.
Chartered Accountants
Firm's Registration No. 000679S
by the hand of

S. Poosaidurai
Partner
Membership No. 223754

Place: Chennai
Date: April 18, 2022

M.K. DANDEKER & CO.
#185, (Old No.100),
2nd FLOOR,
POONAMALLEE HIGH ROAD,
KILPAUK,
CHENNAI - 600 010.
CHARTERED ACCOUNTANTS

For and on behalf of the Board,

Esther Malini

Ms. Esther Malini
Director
(DIN: 07124748)

P.S. Kapoor
Director
(DIN: 02914307)

Ms. C. Indubala
Chief Financial Officer

Sipra Paul

Ms. Sipra Paul
Company Secretary

Place: Chennai
Date: April 18, 2022

ATTENDANCE SLIP
L&T SAMAKHIALI GANDHIDHAM TOLLWAY LIMITED
CIN: U45203TN2010PLC074501
Regd. Office: P.O. Box. 979, Mount Poonamallee Road, Manapakkam, Chennai - 600089.

12th Annual General Meeting, held on Tuesday the September 13, 2022, at 5.00 P.M. at PB No. 979, Mount Poonamallee Road, Manapakkam, Chennai – 600089

Reg. Folio No. ________________

No. of Shares ________________

I certify that I am a registered shareholder/proxy for the registered shareholder of the Company.

I hereby record my presence at the 12th Annual General Meeting of the Company, held on Tuesday the September 13, 2022, at 5.00 P.M. at PB No. 979, Mount Poonamallee Road, Manapakkam, Chennai – 600089.

______________________	______________________
Name of the member	Signature of Member
______________________	______________________
Name of the Proxy (In block letters)	Signature of Proxy

PROXY FORM
Form No. MGT-11
[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN	**U45203TN2010PLC074501**
Name of the Company	**L&T Samakhiali Gandhidham Tollway Limited**
Regd. Office	**P.O. Box. 979, Mount Poonamallee Road, Manapakkam, Chennai - 600089.**

Name of the member (s)	:
Registered address	:
E-mail Id	:
Folio No/ Client Id	:
DP ID	:

I/We, being the member (s) of ________________ shares of the above-named Company, hereby appoint:

1. Name :
   Address :

   E-mail Id :
   Signature : failing him

2. Name :
   Address :

   E-mail Id :
   Signature : failing him

3. Name :
   Address :

   E-mail Id :
   Signature :

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 12th Annual General Meeting of the Company, to be held on Tuesday the September 13, 2022, at 5.00 P.M. at PB No. 979, Mount Poonamallee Road, Manapakkam, Chennai – 600089 and at any adjournment thereof in respect of such resolutions as are indicated below:

Item No.	Resolutions	For	Against
Ordinary Business			
1	To consider and adopt the audited Financial Statements of the Company for the year ended March 31, 2022, and the Reports of the Board of Directors and Auditors thereon.		
2	To appoint a Director in place of Mr. P.S. Kapoor (DIN: 02914307), who retires by rotation and being eligible, offers himself for re-appointment		
3	To approve the remuneration of M/s. M.K. Dandeker & Co., Statutory Auditors of the Company		
Special Business			
4	To consider and ratify the remuneration of Cost Auditor		

Signed this ________________ day of _______________ 2022

Affix one Rupee Revenue Stamp

Signature of shareholder ____________________

Signature of Proxy holder(s) ________________

Notes:

1. This form of proxy, in order to be effective, should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
2. A Proxy need not be a member of the Company.
3. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
4. This is only optional. Please put an 'X' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
5. Appointing a proxy does not prevent a member from attending the meeting in person if he/she so wishes.
6. In the case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.

Route map to the 12th AGM venue of
L&T SAMAKHIALI GANDHIDHAM TOLLWAY LIMITED