



# VARANASI SANGAM EXPRESSWAY PRIVATE LIMITED

06<sup>th</sup> July 2022

To,

**BSE Limited**

Phiroze Jeejeebhoy Towers

Dalal Street, Forts

Mumbai – 400001

Scrip Code: **973247**

**Subject: Annual Report of the Company for Financial Year 2021-22 along with Notice of Annual General Meeting.**

Dear Sir,

Pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and applicable statutory provisions, please find enclosed herewith the Annual Report of the Company for Financial Year 2021-22 along with Notice of Annual General Meeting of the Members of the Company scheduled to be held on 30<sup>th</sup> July 2022.

Annual Report along with Notice of the Annual General Meeting is available on the Company's website [www.varanasisangam.com](http://www.varanasisangam.com).

Kindly take the above information on record.

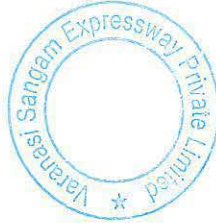
**For Varanasi Sangam Expressway Private Limited**

*Chirag Gandhi*

**Chirag Gandhi**

**Company Secretary & Compliance Officer**

**ICSI Membership No. ACS55452**



**Registered Office :**

GR House, Hiran Magri, Sector-11, Udaipur-313 002 (Raj.)

Ph.: +91-294-2487370, 2483033, Fax : +91-294-2487749

E-mail : [hava@grinfra.com](mailto:hava@grinfra.com)

**CIN : U45500RJ2017PTC057753**



# VARANASI SANGAM EXPRESSWAY PRIVATE LIMITED

## NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 5<sup>th</sup> (Fifth) Annual General Meeting ("AGM") of the members of Varanasi Sangam Expressway Private Limited ("the Company") will be held on Saturday 30<sup>th</sup> July 2022 at 11:30 A.M. at Registered Office of the Company at GR House, Hiran Magri, Sector No. 11, Udaipur-313002, Rajasthan to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended 31<sup>st</sup> March 2022 together with the Report of Auditors and Board of Directors thereon.
2. To appoint a Director in place of Mr. Varun Bhasin (DIN: 03262761), who retires by rotation and being eligible, offers himself for re-appointment.

### SPECIAL BUSINESS:

To consider and if thought fit, to pass with or without modification(s), the following resolution as Ordinary Resolution:

3. Ratification of remuneration of Cost Auditors of the Company.

"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, of the Companies Act, 2013 read with Companies (Cost Records and Audit) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), if any, consent of the members of the Company, be and is hereby accorded for ratification of remuneration of Rs. 5,000 (Rupees Five Thousand only) plus applicable taxes and reimbursement of actual out of pocket expenses, payable to M/s Rajendra Singh Bhati and Co., Cost Accountants, who were appointed by the Board of Directors as Cost Auditors to conduct Cost Audit of the Company as prescribed under the Companies (Cost Records and Audit) Rules 2014, for the financial year 2022-23."

By the order of the Board of Directors,

*Chirag Gandhi*

Chirag Gandhi

Company Secretary

ICSI Membership No. ACS 55452



Date: 06.07.2022

Place: Gurugram

### NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND, ON A POLL, TO VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.  
Proxies, in order to be effective, must be deposited at the registered office of the company not less than 48 hours before the commencement of the meeting. A proxy form is appended with admission slip.  
A person can act as a proxy on behalf of members not exceeding 50 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 a proxy and such person shall not act as a proxy for any other person or shareholder.
2. Any documents and papers as referred to in this notice and as required by the Companies Act, 2013 shall be available for inspection between 11:00AM to 1:00PM on all working days at the registered office of the Company and the same shall also be available during the meeting.
3. The explanatory statement setting out material facts pursuant to section 102 of the Companies Act, 2013, relating to the special business to be transacted at the Meeting is annexed hereto.
4. Details of Director retiring by rotation and seeking reappointment at the meeting are provided in the "Annexure-I" to this Notice.

### Registered Office :

GR House, Hiran Magri, Sector-11, Udaipur-313 002 (Raj.)

Ph.: +91-294-2487370, 2483033, Fax : +91-294-2487749

E-mail : hava@grinfra.com

CIN : U45500RJ2017PTC057753

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013**

**Item No. 3**

The Board has approved the appointment of the Cost Auditors to conduct the audit of the cost records of the Company, for the financial year 2022-23 at a remuneration of Rs. 5000/- plus applicable taxes and actual out-of-pocket expenses. In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014, the remuneration payable to the Cost Auditors approved by the Board of Directors, has to be ratified by the members of the Company. Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 3 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year 2022-23.

The Board recommends the Ordinary Resolution set out at Item No. 3 of the Notice for approval by the members.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

By the order of the Board of Directors,

*Chirag Gandhi*

Chirag Gandhi  
Company Secretary  
ICSI Membership No. ACS 55452



Date: 06.07.2022

Place: Gurugram



#### Annexure-I

Information of the Director seeking Appointment/Reappointment at the ensuing Annual General Meeting (Pursuant to Secretarial Standard 2 issued by the ICSI) as on date of the Notice of Annual General Meeting is as under:

Name and DIN	Mr. Varun Bhasin, DIN: 03262761
Date of Birth/ Age	19 <sup>th</sup> November 1979; 42 years
Qualification	Bachelor's degree (Honors) in commerce from Delhi University. He is Qualified Chartered Accountant from the Institute of Chartered Accountants of India (ICAI).
Experience and Expertise in specific functional area	He has over 19 years of experience in the field of Banking, Finance, Audit, Internal control, Compliance, Taxation, Management Information System and Budgeting etc.
Terms and condition of appointment along with details of remuneration sought	Reappointment as Non-Executive Director Remuneration: Nil
Last drawn remuneration, if applicable	Nil
Number of shares held in Varanasi Sangam Expressway Private Limited	Nil
No. of Board Meetings attended	During the FY2022 – Meetings eligible to attend 9 (Nine) and Meetings attended 9 (Nine)
Original Date of Appointment	1 <sup>st</sup> March 2021.
Relationship with other Directors	Nil
Other Directorship held in Indian companies	<ul style="list-style-type: none"><li>• GR Akkalkot Solapur Highway Private Limited</li><li>• GR Phagwara Expressway Limited</li><li>• GR Sangli Solapur Highway Private Limited</li><li>• GR Dwarka Devariya Highway Private Limited</li><li>• GR Aligarh Kanpur Highway Private Limited</li><li>• Nagaur Mukundgarh Highways Private Limited</li></ul>
Membership/Chairman of the Committees in other Companies in India	<ol style="list-style-type: none"><li>1) GR Phagwara Expressway Limited:<ul style="list-style-type: none"><li>• Chairperson of CSR Committee</li></ul></li><li>2) Varanasi Sangam Expressway Private Limited:<ul style="list-style-type: none"><li>• Member of CSR Committee</li><li>• Member of Audit Committee</li><li>• Member of Nomination and Remuneration Committee</li><li>• Chairperson of Stakeholder Relationship Committee</li><li>• Chairperson of Risk Management Committee</li></ul></li><li>3) GR Sangli Solapur Highway Private Limited<ul style="list-style-type: none"><li>• Chairperson of CSR Committee</li></ul></li><li>4) Nagaur Mukundgarh Highways Private Limited<ul style="list-style-type: none"><li>• Member of CSR Committee</li></ul></li><li>5) GR Akkalkot Solapur Highway Private Limited<ul style="list-style-type: none"><li>• Chairperson of CSR Committee</li></ul></li></ol>







# VARANASI SANGAM EXPRESSWAY PRIVATE LIMITED

## DIRECTORS' REPORT

To  
The Members,  
Varanasi Sangam Expressway Private Limited

Your Directors have pleasure in presenting the 5<sup>th</sup> (Fifth) Annual Report on the business and operations of the Company together with the Audited Financial Statements for the year ended 31<sup>st</sup> March 2022.

### FINANCIAL HIGHLIGHTS

The financial highlights of the Company for the year ended 31<sup>st</sup> March 2022 are as under:

(Amount Rs. in Lakhs)

Particulars	31 <sup>st</sup> March 2022	31 <sup>st</sup> March 2021
Revenue from Operations	13170.20	38791.25
Other Income	327.70	106.13
<b>Total Revenue</b>	<b>13497.90</b>	<b>38897.38</b>
Less: Expenses	11160.37	29204.04
<b>Profit/(Loss) before tax</b>	<b>2337.53</b>	<b>9693.34</b>
Less: Tax Expense	589.74	3391.77
<b>Profit/(Loss) after tax</b>	<b>1747.79</b>	<b>6301.57</b>

### STATE OF THE COMPANY'S AFFAIRS

During the year under review, the Company has reported Total Revenue of Rs. 13497.90 Lakhs as compared to Rs. 38897.39 Lakhs in financial year 2020-21.

Profit after Tax for the year ended 31<sup>st</sup> March 2022 is Rs. 1747.79 Lakhs as against profit after Tax of Rs. 6301.57 Lakhs for the year ended 31<sup>st</sup> March 2021.

### CHANGE IN NATURE OF BUSINESS

There was no change in the nature of Company's business during the Financial Year 2021-2022.

### CHANGES IN CAPITAL STRUCTURE

During the year under review, there is no change in the capital structure of the Company. The Authorised Capital was Rs. 38,90,00,000 consisting of 3,89,00,000 Equity shares of Rs.10/- each and Issued, Subscribed and Paid up Capital of the Company was Rs. 38,89,00,000 consisting of 3,88,90,000 Equity shares of Rs.10/- each. The Company has not issued any equity shares with differential rights, sweat equity shares or bonus shares.

### NON-CONVERTIBLE DEBENTURES (NCDs)

During the Financial Year, the Company has issued and allotted Non-convertible debentures ("NCD") on Private Placement basis:

S. No.	Description of NCD	Face value Per NCD	Issue Size	Name of Trustee
1	Senior Rated Listed Secured Non-Convertible Debenture	Rs. 10 Lakh	Rs. 784 Crores	Axis Trustee Services Limited

The detail of Debenture Trustee is available on the Company's website i.e. <http://www.varanasisangam.com/contact-information/>.

### DIVIDEND

Considering the requirement of the funds for business operations of the Company, your directors think it prudent not to recommend dividend for the financial year ended 31<sup>st</sup> March 2022.

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**CIN : U45500RJ2017PTC057753**



**TRANSFER TO RESERVE**

During the year under review Company has transferred Rs. 7630.25 Lakhs to Debenture Redemption Reserve.

**SUBSIDIARY, ASSOCIATE OR JOINT VENTURES.**

The Company does not have any Subsidiary, Associate or Joint Venture Company.

**SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS**

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

**MATERIAL CHANGES AND COMMITMENTS**

There have been no material changes and / or commitments affecting the financial position of your company which has occurred from the end of the financial year upto the date of signing of this Report.

**AUDITORS AND AUDITOR'S REPORT****Statutory Auditors**

M/s JLN US & Co., Chartered Accountants (FRN: 101543W) were appointed by the Shareholders at Annual General Meeting of the Company held on 27<sup>th</sup> August 2018 as the Statutory Auditors for a period of five years to hold office upto the conclusion of the 6<sup>th</sup> Annual General Meeting. They have audited the financial statements of the Company for the Financial Year under review. The observations of Statutory Auditors in their Report read with relevant Notes to Accounts are self-explanatory and therefore, do not require further explanation. The Auditors' Report does not contain any qualification, reservation or adverse remark. Further, there was no incidence of fraud reported by the Statutory Auditors under sub-section (12) of section 143 other than those which are reportable to the Central Government.

**Internal Auditor**

In accordance with the provisions of Section 138 of the Companies Act, 2013, Mr. Nayan Jain, Chartered Accountant (M. No. 445570) was appointed as an internal auditor with effect from 20<sup>th</sup> February 2021, however he resigned from the office of Internal Auditor with effect from 5<sup>th</sup> March 2022.

**Secretarial Auditor**

Pursuant to Section 204 of the Companies Act, 2013, the Company had appointed M/s. Bharat Choudhary & Associates, Company Secretaries in Practice, as its Secretarial Auditors to conduct the secretarial audit of the Company for the FY 2021-22. The Report of Secretarial Auditors for the FY 2021-22 is annexed to this report as Annexure – I. The report does not contain any qualification, reservation or adverse remark.

**Cost Auditors**

Maintenance of cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013, is required by the Company and accordingly such accounts and records are made and maintained.

M/s Rajendra Singh Bhati & Co., Cost Accountants have audited the Cost Statements of the Company and submitted the Cost Audit Report for the Financial Year ended 31<sup>st</sup> March 2022. The report does not contain any qualification, reservation or adverse remark.

Further, the Board has approved appointment of M/s Rajendra Singh Bhati & Co., Cost Accountants as Cost Auditors for the financial year ended 31<sup>st</sup> March 2023. The remuneration payable to the Cost Auditors is required to be ratified by the members, the Board recommends the same for approval by members at the ensuing Annual General Meeting.





## **DIRECTORS AND KEY MANAGERIAL PERSONNEL**

In accordance with the provisions of the Companies Act, 2013, Mr. Varun Bhasin (DIN: 03262761), Director of the Company, retires by rotation at the ensuing Annual General Meeting and being eligible, has offered himself for re-appointment. The Board of Directors recommends his re-appointment.

During the Financial Year under review Members of the Company at Annual General Meeting held on 30<sup>th</sup> September 2021 have regularized Mr. Varun Bhasin (DIN: 03262761) as Director from Additional Director of the Company, Further Ms. Riya Parakh (DIN: 08769864) ceased to be Director of on 2<sup>nd</sup> November 2021, consequently the members in their Extra-ordinary General Meeting held on 16<sup>th</sup> November 2021, appointed Ms. Suhani Jain (DIN: 08559224) as Director.

Mr. Karan Agarwal was ceased to be the Chief Financial Officer of the Company on 28<sup>th</sup> March 2022. Thereafter Ms. Namita Somani was appointed as Chief Financial Officer of the Company on 29<sup>th</sup> March 2022.

## **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the requirement under Section 134(5) of the Companies Act, 2013, with respect to Directors Responsibility Statement, your Directors hereby confirm that:

- a) In preparation of Annual Accounts for the Financial Year 2021-2022, the applicable accounting standards have been followed and there are no material departures;
- b) They have selected such Accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the Company at the end of financial year and of the **Profit** of the Company for the financial year;
- c) They have taken proper and sufficient care to the best of their knowledge and ability for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) They have prepared annual accounts on a going concern basis.
- e) The Company being unlisted sub clause (e) of Section 134(3) is not applicable.
- f) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

## **DECLARATION FROM INDEPENDENT DIRECTORS**

As the Company is not required to have an Independent Director. Thus, the requirement to obtain declaration from Independent Director is not applicable on the Company.

## **THE CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS & OUTGO**

The provisions of section 134(3)(m) of the Act regarding conservation of Energy and Technology Absorption are not applicable to the Company. Further there was no foreign exchange Inflow or Outflow during the year under review.

## **CORPORATE SOCIAL RESPONSIBILITY**

The Company has constituted Corporate Social Responsibility ("CSR") Committee in accordance with provisions of Section 135 of the Companies Act, 2013. The CSR initiatives undertaken by your Company, along with other details for the Financial Year 2021-22 and salient features on CSR policy forms part of Annual Report on Corporate Social Responsibility as Annexure -II to this Directors Report. During the year under review One Meeting of the Committee was held on 9<sup>th</sup> June 2021.





## DEPOSITS

During the year under review, the Company has not accepted any deposits in terms of Chapter V of the Companies Act, 2013 and rules made thereunder.

## CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

During the Financial Year 2021-2022, all Related Party Transactions entered into by your Company with related parties were in ordinary course of business and at arm's length basis. Further, details of material contracts/arrangements/transactions entered by the Company at arm's length basis are disclosed in Form AOC-2 as Annexure-III to the Director's Report.

The required information in compliance with the Accounting Standard on Related Party Disclosures as required under Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is disclosed at Financial Statements forming part of the Annual Report of the Company.

## PARTICULARS OF EMPLOYEES

During the Financial year under review, there was no employee drawing remuneration in excess of limits prescribed by provision of Section 197(12) read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 of the Act.

Further, disclosures pertaining to remuneration and other details as required under Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given below:

Name	Designation	Qualification	Work Experience	Age	Date of Commencement of Employment	Remuneration paid in FY 2021-22	Previous Employment
Mr. Chirag Gandhi	Company Secretary	CS, B.com	4 Years	28 Years	01.04.2020	Rs. 6.00 Lakhs	G R Infraprojects Limited

None of the employee of the Company holds any equity share of the Company nor is relative of any Director or KMP of the Company.

## VIGIL MECHANISM

Your Company is committed to highest standards of ethical, moral, and legal business conduct. Accordingly, the Board of Directors has formulated Vigil Mechanism which provides a robust framework for dealing with genuine concerns & grievances. Specifically, employees can raise concerns regarding any discrimination, harassment, victimization, any other unfair practice being adopted against them or any instances of fraud by or against your Company. During Financial Year under review, no complaint was received by the Company.

## PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

Your company has neither made any loan or Investment, nor any guarantee has been given. Your Company falls within scope of the definition "Infrastructure Company" as provided by the Companies Act, 2013. Accordingly, the Company is exempt from the provisions of Section 186 of the Act with regards to loans, Guarantees and Investments.

## ANNUAL EVALUATION OF THE BOARD, ITS COMMITTEES, AND INDIVIDUAL DIRECTORS

A formal evaluation of the performance of the Board and the individual Directors was carried out for Financial Year 2021-2022. Led by the Board of Directors, the evaluation was carried out using individual questionnaires covering, amongst others, composition of Board, conduct as per Company values & beliefs, contribution towards development of the strategy & business plan, risk management, receipt of regular inputs and information, codes & policies for strengthening governance, functioning, performance &



structure of Board, skill set, knowledge & expertise of Directors, preparation & contribution at Board meetings, leadership, etc.

#### MEETINGS OF BOARD OF DIRECTORS

Detail of meeting of Board of Directors held during the year alongwith attendance of directors therein are as under:

S. No.	Date of Meeting	Mr. Vikas Agarwal	Ms. Riya Parakh*	Mr. Varun Bhasin	Ms. Suhani Jain**
1.	26.05.2021	Yes	No	Yes	NA
2.	10.06.2021	Yes	No	Yes	NA
3.	17.06.2021	Yes	No	Yes	NA
4.	17.09.2021	Yes	No	Yes	NA
5.	12.10.2021	Yes	No	Yes	NA
6.	02.11.2021	Yes	NA	Yes	NA
7.	16.12.2021	Yes	NA	Yes	No
8.	31.01.2022	Yes	NA	Yes	Yes
9.	28.03.2022	Yes	NA	Yes	No
Meetings eligible to attend		9	5	9	3
Meetings attended		9	0	9	1

\*Ms. Riya Parakh has resigned from Directorship with effect from 2<sup>nd</sup> November 2021.

\*\*Ms. Suhani Jain was appointed as Director with effect from 16<sup>th</sup> November 2021.

The intervening gap between any two meetings was within the period prescribed under the Companies Act, 2013.

#### AUDIT COMMITTEE

Your Company has a duly constituted Audit Committee, its composition as well as charter are in line with the requirements of the Companies Act, 2013 and Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with regulations made in this regard. As on 31<sup>st</sup> March 2022, three meetings of the Audit Committee were held on 02<sup>nd</sup> November 2021, 31<sup>st</sup> January 2022 and 28<sup>th</sup> March 2022, detail of which is as under:

S. No.	Name of Member	Designation	Meetings eligible to attend	Meetings attended
1	Mr. Vikas Agarwal	Chairman	3	3
2	Mr. Varun Bhasin	Member	3	3
3	Ms. Riya Parakh *	Member	1	0
4	Ms. Suhani Jain**	Member	2	0

\*Ms. Riya Parakh ceased to become member with effect from 2<sup>nd</sup> November 2021.

\*\*Ms. Suhani Jain was appointed with effect from 16<sup>th</sup> December 2021.

During the year under review, all the recommendations made by the Audit Committee were accepted by the Board.

#### NOMINATION & REMUNERATION COMMITTEE

Your Company has a duly constituted Nomination and Remuneration Committee, its composition as well as charter are in line with the requirements of the Companies Act, 2013 and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with regulations made in this regard. As on 31<sup>st</sup> March 2022 two meetings of the Nomination and Remuneration Committee were held on 17<sup>th</sup> December 2021 and 28<sup>th</sup> March 2022, detail of which is as under:

S. No.	Name of Member	Designation	Meetings eligible to attend	Meetings attended
1	Mr. Vikas Agarwal	Chairman	2	2
2	Mr. Varun Bhasin	Member	2	2
3	Ms. Suhani Jain	Member	2	0





During the year under review, all the recommendations made by the Nomination and Remuneration Committee were accepted by the Board.

#### **STAKEHOLDERS RELATIONSHIP COMMITTEE**

Your Company has a duly constituted Stakeholders Relationship Committee, its composition as well as charter are in line with the requirements of the Companies Act, 2013 and Regulation 20 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with regulations made in this regard. As on 31<sup>st</sup> March 2022, one meeting of the Stakeholders Relationship Committee was held on 17<sup>th</sup> December 2021, details of which is as under:

S. No.	Name of Member	Designation	Meetings eligible to attend	Meetings attended
1	Mr. Varun Bhasin	Chairman	1	1
2	Mr. Vikas Agarwal	Member	1	1
3	Ms. Suhani Jain	Member	1	0

#### **RISK MANAGEMENT COMMITTEE**

Your Company has a duly constituted Risk Management Committee, its composition as well as charter are in line with the requirements of the Companies Act, 2013 and Regulation 21 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with regulations made in this regard. As on 31<sup>st</sup> March 2022, two meetings of the Risk Management Committee were held on 17<sup>th</sup> December 2021 and 28<sup>th</sup> March 2022, details of which is as under:

S. No.	Name of Member	Designation	Meetings eligible to attend	Meetings attended
1	Mr. Varun Bhasin	Chairman	2	2
2	Mr. Vikas Agarwal	Member	2	2
3	Ms. Suhani Jain	Member	1	0

#### **INTERNAL FINANCIAL CONTROLS AND THEIR ADEQUACY**

Your Company has a strong and well embedded system of internal controls. This ensures that all assets are safeguarded and protected against loss from unauthorized use or disposition and all transactions are authorized, recorded and reported correctly. The internal control system has been designed to ensure that financial and other records are reliable for preparing financial and other statements and for maintaining accountability of assets. During the year, such controls were tested and no reportable material weaknesses in the design or operation were observed.

#### **PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE**

The provisions of Sexual Harassment of Woman at Workplace (Prevention, Prohibition and Redressal) Act, 2013 are not applicable on the Company.

#### **COMPLIANCE WITH SECRETARIAL STANDARDS**

Your Company has complied with applicable Secretarial Standards (SS) issued by Institute of Companies Secretaries of India i.e. SS-1 & SS-2 on meetings of the Board of Directors and General Meetings, respectively.

#### **ANNUAL RETURN**

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return as on 31<sup>st</sup> March 2022 is available on the Company's website on <http://www.varanasisangam.com/>.

#### **OTHER DISCLOSURES**

1. The Company has neither made any application, nor any proceedings are pending under the Insolvency and Bankruptcy Code, 2016.
2. The Company has not entered into any one-time settlement with any Bank or Financial Institutions, hence disclosure under rule (8)(5)(xii) of Companies (Accounts) Rules 2014 is not applicable.





#### LISTING OF NON-CONVERTIBLE DEBENTURES (NCDs)

The NCD(s) were listed its Non Convertible debentures on Wholesale Debt Market Segment on BSE Limited ("BSE") on 22<sup>nd</sup> June 2021. The annual listing fee for the Financial Year 2022-23 has been paid to BSE.

#### ACKNOWLEDGEMENTS

Your Board acknowledges the support and co-operation received from all its stakeholders including our dear shareholders as well as regulatory authorities of the Central Government and all State Governments in India as they endeavor to create an enabling environment for industry and commerce to prosper.

Your Directors also take this opportunity to express their gratitude for the valuable assistance and the trust placed by the National Highways Authority of India, bankers, vendors, customers, advisors and the general public towards the Company.

For and on behalf of the Board of Directors,



Varun Bhasin  
Director  
DIN: 03262761

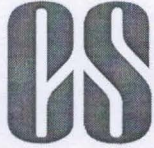


Vikas Agarwal  
Director  
DIN: 03113689



Date: 19.05.2022

Place: Gurugram



# Bharat Choudhary & Associates

COMPANY SECRETARIES

Mob. No.: 9351962446

Mail Id: [csaudr19@gmail.com](mailto:csaudr19@gmail.com)

Form No MR-3

Secretarial Audit Report

(For the Financial Year ended on 31.03.2022)

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

TO,  
THE MEMBERS,  
VARANASI SANGAM EXPRESSWAY PRIVATE LIMITED,  
(CIN: U45500RJ2017PTC057753)  
GR HOUSE, HIRAN MAGRI, SECTOR NO. 11,  
UDAIPUR, RAJASTHAN--313002

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Varanasi Sangam Expressway Private Limited** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of Company's books, papers, minute books, forms and returns filed and other records maintained 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 **April 01, 2021 to March 31, 2022**, complied with the statutory provisions listed here under to this Report 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 **Varanasi Sangam Expressway Private Limited** (the Company) for the financial year ended on March 31, 2022 according to the provisions (to the extent applicable) of;

1. The Companies Act, 2013 (the Act) and the rules made there under;
2. The Securities Contracts (Regulation) Act, 1956 (SCRA) and the rules made there under
3. The Depositories Act, 1996 and the Regulations and Bye-law framed hereunder;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial borrowings
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India, 1992 ('SEBI Act') :-
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015-







# Bharat Choudhary & Associates

COMPANY SECRETARIES

Mob. No.: 9351962446

Mail Id: [csaudr19@gmail.com](mailto:csaudr19@gmail.com)

- c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
- d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, now known as SEBI (Share based Employees Benefits) Regulations, 2014-
- e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 read with SEBI (Listing Obligations and Disclosure Requirements) Regulations
- f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client
- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021and
- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998

6. I have also examined compliance with Secretarial Standards with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India.

## We further report that

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors and Non-Executive Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- Adequate notice has been given to all the directors to schedule the Board Meetings, Committee Meetings, agenda and detailed notes on agenda were sent in advance and a system exists for meaningful participation at the meeting.
- All decision at Board Meetings and Committee Meetings are carried unanimously /with requisite majority as recorded in the minutes of the Meetings of the Board of Directors or Committee of the Board, as the case may be
- During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

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

I further report that during the audit period:

- (i) Mr. Varun Bhasin (DIN: 03262761) was appointed as an Director on the Board of the Company with effect from 30<sup>th</sup> September 2021.
- (ii) Ms. Riya Parakh(DIN: 08769864) has resigned as Director of the Company with effect from 2nd November 2021.







# Bharat Choudhary & Associates

COMPANY SECRETARIES

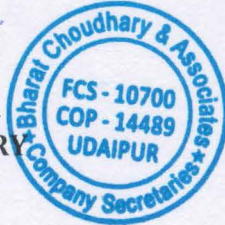
Mob. No.: 9351962446

Mail Id: [csaudr19@gmail.com](mailto:csaudr19@gmail.com)

- (iii) Ms. Suhani Jain (DIN: 08559224) has appointed as Director of the Company with effect from 16<sup>th</sup> November 2021.
- (iv) Mr. Karan Agarwal resigned as Chief Financial Officer with effect from 28<sup>th</sup> March 2022.
- (v) Ms. Namita Somani has appointed as Chief Financial Officer with effect from 29<sup>th</sup> March 2022.
- (vi) Listed NCD of 7,840 (Seven Thousand Eight Hundred and Forty) listed, secured, rated, redeemable, non-convertible debentures each having a face value of INR 10,00,000/- (Indian Rupees Ten Lakhs Only) at par, upto an aggregate subscription amount of INR 784,00,00,000 (Indian Rupees Seven Hundred and Eighty Four Crores Only)

For BHARAT CHOUDHARY & ASSOCIATES  
COMPANY SECRETARIES

*Bharat*  
BHARAT CHOUDHARY  
PROPRIETOR  
M. No.: F10700  
CoP: 14489



Place: Udaipur  
Date: 19/05/2022  
UDIN: F010700D000336344

Note: This report is to be read with our letter of even date which is annexed as "ANNEXURE-1" and forms an integral part of this report.





# Bharat Choudhary & Associates

COMPANY SECRETARIES

Mob. No.: 9351962446

Mail Id: [csaudr19@gmail.com](mailto:csaudr19@gmail.com)

## "ANNEXURE-1"

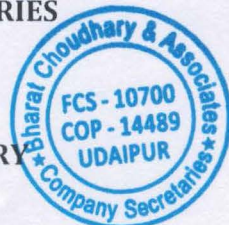
TO,  
THE MEMBERS,  
VARANASI SANGAM EXPRESSWAY PRIVATE LIMITED,  
GR HOUSE, HIRAN MAGRI, SECTOR NO. 11,  
UDAIPUR-313002, RAJASTHAN

My report of given date is to be read along with this letter.

- A. Maintenance of Secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
- B. I 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 the test basis to ensure that correct facts are reflected in Secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
- C. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
- D. Where ever required, I have obtained the Management representation about compliance of laws, rules and regulations and happenings of events etc.
- E. The compliance of provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. My examination was limited to the verification of procedures on test basis.
- F. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of efficacy or effectiveness with which the management has conducted the affairs of the Company.

For BHARAT CHOUDHARY & ASSOCIATES  
COMPANY SECRETARIES

*Bharat*  
BHARAT-CHOUDHARY  
PROPRIETOR  
M. No.: F10700  
CoP: 14489



Place: Udaipur  
Date: 19/05/2022  
UDIN: F010700D000336344



## ANNEXURE-II

### ANNUAL REPORT ON CSR ACTIVITIES TO BE INCLUDED IN THE BOARD'S REPORT FOR FINANCIAL YEAR 2021-22

1. Brief outline on CSR Policy of the company: Varanasi Sangam Expressway Private Limited as a responsible corporate entity commits to undertake appropriate CSR measures having positive economic, social, and environmental impact to transform lives and to help build more capable and vibrant communities by integrating its business values and strengths.  
In its continuous efforts to positively impact the society and to target the inclusive growth of all the stakeholders, the Company has formulated a guiding policy concentrating mainly on promoting education, environment sustainability, economic empowerment, rural development, health care and sanitation.

2. Composition of CSR Committee:

S. No.	Name of director	Designation/ Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Vikas Agarwal	Chairman	1	1
2	Mr. Varun Bhasin*	Member	1	1

\* Mr. Varun Bhasin appointed member of CSR Committee with effect from 26<sup>th</sup> May 2021.

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company. <http://www.varanasisangam.com/wp-content/themes/grwama/images/pdf/policies/VSEPL-CSR-Policy.pdf>
4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report). Not Applicable

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any.

S. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs. Lakhs)	Amount required to be setoff for the financial year, if any (in Rs. Lakhs)
		NIL	

6. Average net profit of the company as per section 135(5): Net Loss of Rs. 5789.15 Lakhs

7.	(a) Two percent of average net profit of the company as per section 135(5):	Net Loss of Rs. 115.78 Lakhs
	(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years.	-
	(c) Amount required to be set off for the financial year, if any.	-
	(d) Total CSR obligation for the financial year (7a + 7b + 7c)	-

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (in Rs. Lakhs)	Amount Unspent	
	Total Amount transferred to Unspent CSR Account as per section 135(6).	Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).





	Amount (in Rs. Lakhs)	Date of transfer	Name of Fund	Amount (in Rs. Lakhs)	Date of transfer
Not Applicable					

(b) Details of CSR amount spent against ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
S. No	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No)	Location of the project		Project duration	Amount allocated for the project (in Rs. Lakhs)	Amount spent in the current financial Year (in Rs. Lakhs)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs. Lakhs)	Mode of Implementation - Direct (Yes/No).	Mode of Implementation - Through Implementing Agency	CSR Registration number
				State	District						Name	
Not Applicable												

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
S. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/No)	Location of the project		Amount spent for the project (in Rs. Lakhs)	Mode of Implementation - Direct (Yes/No)	Mode of implementation - Through implementing Agency	
				State	District			Name	CSR registration number.
Not Applicable									

(d) Amount spent in Administrative Overheads	-
(e) Amount spent on Impact Assessment, if applicable	-
(f) Total amount spent for Financial Year (8b+8c+8d+8e)	-

(g) Excess amount for set off, if any.

S. No.	Particular	Amount (in Rs. Lakhs)
i.	Two percent of average net profit of the company as per section 135(5)	(115.78)
ii.	Total amount spent for the Financial Year	Nil
iii.	Excess amount spent for the financial year [(ii)-(i)]	Nil
iv.	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
v.	Amount available for set off in succeeding financial years [(iii)-(iv)]	Nil

9 (a) Details of Unspent CSR amount for the preceding three financial years:

S. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs. Lakhs)	Amount spent in the reporting Financial Year	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in Rs. Lakhs)
				Name of the Fund	Amount (in Rs Lakhs).	Date of transfer	



			(in Rs. Lakhs)				
Not applicable							

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
S. No	Project ID	Name of the Project.	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in Rs. Lakhs)	Amount spent on the project in the reporting Financial Year (in Rs. Lakhs)	Cumulative amount spent at the end of reporting Financial Year (in Rs. Lakhs)	Status of the project - Completed /Ongoing.
Not applicable								

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset - wise details)

(a) Date of creation or acquisition of the capital asset(s).	Not Applicable
(b) Amount of CSR spent for creation or acquisition of capital asset.	Not Applicable
(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.	Not Applicable
(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).	Not Applicable

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5). Not Applicable

For and on behalf of the Board,

*Varun Bhasin*

Varun Bhasin  
Director  
DIN:03262761

*Vikas Agarwal*

Vikas Agarwal  
Chairman (CSR Committee)  
DIN: 03113689





## ANNEXURE –III

Form No. AOC-2

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

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

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

Name(s) of the related party and nature of relationship	Nature of contracts/arrangement/transactions	Duration of the contracts / arrangements/transactions	Salient terms of the contracts or arrangements or transactions including the value, if any:	Date(s) of approval by the Board, if any:	Amount paid as advances (if any)	Date on which the special resolution was passed in general meeting as required under first proviso to section 188
Not Applicable						

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

Name(s) of the related party and nature of relationship	Nature of contracts/arrangement/transactions	Duration of the contracts/arrangements/transactions	Salient terms of the contracts or arrangements or transactions including the value, if any:	Date(s) of approval by the Board, if any:	Amount paid as advances (if any, in Rs. Lakhs)
G R Infraprojects Limited ("GRIL") (Holding Company)	Operation and Maintenance Agreement ("O&M")	The contract shall remain in force w.e.f. 2 <sup>nd</sup> November, 2021 and shall remain in force for one Year	<b>O&amp;M Agreement Date:</b> 2 <sup>nd</sup> November 2021  <b>Amount of Contract:</b> Rs. 5.60 Crore  <b>Subject Matter:</b> Operation & Maintenance of the Project Highway i.e. Six- laning of Handia to Varanasi section of NH-2 from km 713.146 to km 785.544 in the state of Uttar Pradesh under NHDP phase-V on Hybrid Annuity Mode.	Not applicable	Nil

For and on behalf of the Board of Directors



Varun Bhasin  
Director  
DIN:03262761



Vikas Agarwal  
Director  
DIN: 03113689



Date: 19.05.2022  
Place: Gurugram



**JLN US & CO.**  
**Chartered Accountants**

4/5, First Floor, Vishwakarma Complex  
Near Paragon Mobile, Inside Udiapole  
Udaipur 313001, Rajasthan, India  
Mobile : +91-98280 58602, +91-98280 52131  
Email : maheshmenaria@gmail.com  
jlnusudaipur@gmail.com  
Web : www.jlnus.com

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF VARANASI SANGAM EXPRESSWAY PRIVATE LIMITED**

**Report on the Audit of the Standalone Financial Statements**

**Opinion**

We have audited the accompanying Standalone Financial Statements of VARANASI SANGAM EXPRESSWAY PRIVATE LIMITED ("the Company"), which comprise the balance sheet as at 31st March 2022, the statement of Profit and Loss, statement of changes in equity and statement of cash flows for the year then ended, and notes to the Standalone Financial Statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, its profit, changes in equity and its cash flows for the year ended on that date.

**Basis for Opinion**

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

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

The company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the Standalone Financial Statements and our auditor's report thereon.

Our opinion on the Standalone 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 Standalone Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.





## VARANASI SANGAM EXPRESSWAY PRIVATE LIMITED

### Independent Auditors' Report on standalone financial statements (Continued)

#### Management's Responsibility for the Standalone Financial Statements

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

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

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

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

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

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

- Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.



## VARANASI SANGAM EXPRESSWAY PRIVATE LIMITED

### Independent Auditors' Report on standalone financial statements (*Continued*)

- 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 Standalone 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 Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

#### Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 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 Annexure – I 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, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account
- (d) In our opinion, the aforesaid Standalone Financial Statements comply, in material respect, with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on 31st March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 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 II.





**VARANASI SANGAM EXPRESSWAY PRIVATE LIMITED**

**Independent Auditors' Report on standalone financial statements (*Continued*)**

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

- i) The Company does not have any pending litigations which would have a material impact its financial position;
- ii) Based on the assessment made by the company, there are no material foreseeable losses on its long term contracts that may require any provisioning
- iii) In view of there being no amounts required to be transferred to the Investor Education and Protection Fund for the year under audit, the reporting under this clause is not applicable.

**For JLN US & Company**  
**Chartered Accountants**  
**FRN 101543W**

**CA Mahesh Menaria**  
**Partner**  
**M No. 400828**  
**UDIN: 22400828AJLROQ4899**



**Udaipur, May 19, 2022**

**VARANASI SANGAM EXPRESSWAY PRIVATE LIMITED**

**Independent Auditors' Report on standalone financial statements (Continued)**

**Annexure - I to the Independent Auditors Report**

**Referred to in our report of even date, to the members of VARANASI SANGAM EXPRESSWAY PRIVATE LIMITED for the year ended March 31, 2022**

- i) (a) According to the information and explanations provided to us, there are no fixed assets in existence with company.
- (b) According to the information and explanations provided to us, there are no immovable properties included in the fixed assets of the company and accordingly the reporting requirements under sub clause (c) of clause (i) of paragraph 3 of the order are not applicable.
- ii) In our opinion, and according to the information and explanations given to us, the company has sub-contracted the entire construction / operation related activities and therefore does not carry any inventories. Hence, the reporting requirements under clause (ii) of paragraph 3 of the order are not applicable.
- iii) In our opinion and according to the information and explanation given to us, the company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnership or other parties covered in the register maintained under section 189 of the Companies Act 2013. Accordingly, the reporting requirements under sub-clause (a), (b) and (c) of Clause (iii) of paragraph 3 of the order are not applicable.
- iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees and securities granted in respect of which provisions of section 185 and 186 of the Act are applicable and hence the reporting requirements under clause (iv) of paragraph 3 of the order are not applicable.
- v) In our opinion and according to the information and explanations given to us, the company has not accepted any deposits during the period under audit. Consequently, the directives issued by Reserve Bank of India and the provisions of sections 73 to 76 of the Act and the rules framed thereunder are not applicable.
- vi) The maintenance of cost records has been specified by the Central Government under sub-section (1) of section 148 of the Act for the company. We have broadly reviewed such records and are of the opinion that prima-facie, the prescribed records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- vii) (a) According to the information and explanations given to us and based on the records of the company examined by us, the company is generally regular in depositing the undisputed statutory dues including income-tax, goods and service tax, duty of customs, cess and any other material statutory dues, as applicable, with the appropriate authorities in India.

According to the information and explanations given to us, there are no undisputed amounts in respect of the aforesaid statutory dues which in arrears as at March 31, 2022 for a period of more than six months from the date they became payable.





**VARANASI SANGAM EXPRESSWAY PRIVATE LIMITED**

**Independent Auditors' Report on standalone financial statements (Continued)**

- (b) According to the information and explanations given to us, there are no applicable statutory dues which have not been deposited on account of any dispute.
- viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.
- ix) Based upon the audit procedures carried out by us and on the basis of information and explanations provided by the management we are of the opinion that the company has not defaulted in repayment of dues to banks / Financial Institutions. The company does not have any borrowings from government or Debenture Holders.
- x) In our opinion and according to the information and explanations given to us, the term loans taken by the company have been ultimately utilised for the purpose for which they were taken.
- xi) (a) Based on our audit procedures and according to the information given by the management, the money raised by way of listed debt instruments and has been applied for the purpose for which they were obtained.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has made preferential allotment or private placement of non convertible debentures during the year under review and the requirement of section 42 and 62 of the Companies Act, 2013 have been complied with and the amount raised have been used for the purposes for which the funds were raised.
- xii) Based on the audit procedures performed by us for the purpose of reporting the true and fair view of the Standalone Financial Statements and as per the information and explanations given to us by the management, we report that we have neither come across any instance of fraud by the company or on the company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the management.
- xiii) The company is not a Nidhi Company and hence the reporting requirements under clause (xii) of paragraph 3 of the order are not applicable.
- xiv) According to the information and explanations given to us, all transactions entered into by the company with related parties are in compliance with section 177 and 188 of the Act where applicable and the details thereof have been disclosed in the financial statements as required by the applicable accounting standards.
- xv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till date for the period under audit.



**VARANASI SANGAM EXPRESSWAY PRIVATE LIMITED**

**Independent Auditors' Report on standalone financial statements (Continued)**

- xvi) The Company has not incurred cash losses in the current and in the immediately preceding financial year.
- xvii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- xviii) According to the information and explanations given to us and 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 standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not 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.
- xix) As per the information and explanations provided to us, the company has not entered into any non-cash transactions with directors or persons connected with them.
- xx) In our opinion and according to the information and explanations given to us, the company is not required to be registered under Section 45 - IA of the Reserve Bank of India, 1934.
- xxi) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of section 135 of the Act pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

**For JLN US & Company**  
**Chartered Accountants**  
**FRN 101543W**

**CA Mahesh Menaria**  
**Partner**  
**M No. 400828**  
**UDIN: 22400828AJLROQ4899**



**Udaipur, May 19, 2022**



**VARANASI SANGAM EXPRESSWAY PRIVATE LIMITED**

**Independent Auditors' Report on standalone financial statements (*Continued*)**

**Annexure – II to the Independent Auditors Report**

**Referred to in our report of even date, to the members of VARANASI SANGAM EXPRESSWAY PRIVATE LIMITED for the year ended March 31, 2022**

**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 VARANASI SANGAM EXPRESSWAY PRIVATE LIMITED ("the Company") as of March 31, 2022 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

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

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the 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 on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls 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 Standalone Financial Statements, whether due to fraud or error.



## VARANASI SANGAM EXPRESSWAY PRIVATE LIMITED

### Independent Auditors' Report on standalone financial statements (Continued)

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

#### Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone 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 Standalone Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the Standalone 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 JLN US & Company  
Chartered Accountants  
FRN 101543W

CA Mahesh Menaria  
Partner  
M No. 400828  
UDIN: 22400828AJLROQ4899



Udaipur, May 19, 2022



# Varanasi Sangam Expressway Private Limited

CIN U45500RJ2017PTC057753

Balance Sheet

as at 31 March 2022

₹ in Lakhs

Particulars	Ref Note No.	As at 31 March 2022	As at 31 March 2021
<b>Assets</b>			
<b>Non-current assets</b>			
(a) Financial assets			
(i) Other financial assets	4	1,10,570.69	1,15,394.18
(b) Other non-current assets	5	7,560.74	11,683.86
(c) Tax assets	6	1,569.70	133.72
<b>Total non-current assets</b>		<b>1,19,701.13</b>	<b>1,27,211.76</b>
<b>Current assets</b>			
(a) Financial assets			
(i) Trade receivables	7	282.49	610.70
(ii) Cash and cash equivalents	8	9,131.22	1,302.30
(iii) Other bank balances	9	410.00	2,112.97
(iv) Other financial assets	4	6,925.47	9,457.13
(b) Other current assets	5	4,390.26	2,051.45
<b>Total current assets</b>		<b>21,139.44</b>	<b>15,534.55</b>
<b>Total assets</b>		<b>1,40,840.57</b>	<b>1,42,746.31</b>
<b>Equity and liabilities</b>			
(a) Equity share capital	10	3,889.00	3,889.00
(b) Other equity	11	11,376.30	9,628.51
<b>Total equity</b>		<b>15,265.30</b>	<b>13,517.51</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	12	1,13,183.77	1,16,077.07
(b) Deferred tax liabilities (net)	22	4,203.62	3,613.87
<b>Total non-current liabilities</b>		<b>1,17,387.39</b>	<b>1,19,690.94</b>
<b>Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	12	7,684.76	5,519.73
(ii) Trade payables - total outstanding dues of	13		
(a) micro enterprises and small enterprises		-	-
(b) creditors other than micro enterprises and small enterprises		360.76	3,860.15
(iii) Other financial liabilities	14	0.50	0.40
(b) Other current liabilities	15	141.86	157.58
<b>Total current liabilities</b>		<b>8,187.88</b>	<b>9,537.86</b>
<b>Total liabilities</b>		<b>1,25,575.27</b>	<b>1,29,228.80</b>
<b>Total equity and liabilities</b>		<b>1,40,840.57</b>	<b>1,42,746.31</b>

Basis of preparation, measurement and significant accounting policies

2 - 3

Notes on financial statements

4 - 34

The notes referred above are an integral part of these financial statements.

For and on behalf of the Board of Directors

As per our report of even date

For JLN US AND COMPANY

Chartered Accountants

Firm's Reg. No. 101543W

Ajendra Kumar Agarwal  
Chief Executive Officer

Place: Gurugram  
Date: 19 May 2022

Vikas Agarwal  
Director  
DIN : 03113689  
Place: Gurugram  
Date: 19 May 2022

Varun Bhasin  
Director  
DIN : 03262761  
Place: Gurugram  
Date: 19 May 2022

CA Mahesh Menaria  
Partner  
Membership No: 400828  
Place: Udaipur  
Date: 19 May 2022

Chirag Gandhi  
Company Secretary  
ICSI Memb. No.: A55452  
Place: Gurugram  
Date: 19 May 2022

Namita Somani  
Chief Financial Officer  
Place: Udaipur  
Date: 19 May 2022

# Varanasi Sangam Expressway Private Limited

CIN U45500RJ2017PTC057753

Statement of Profit and Loss  
for the year ended 31 March 2022

₹ in Lakhs

Particulars	Ref Note No.	For the year ended 31 March 2022	For the year ended 31 March 2021
<b>Income</b>			
Revenue from operations	16	13,170.20	38,791.25
Other income	17	327.70	106.13
<b>Total income</b>		<b>13,497.90</b>	<b>38,897.38</b>
<b>Expenses</b>			
Construction costs	18	749.00	19,138.04
Employee benefits expense	19	6.00	4.90
Finance costs	20	9,704.24	9,470.47
Other expenses	21	701.13	590.63
<b>Total expenses</b>		<b>11,160.37</b>	<b>29,204.04</b>
<b>Profit before tax</b>		<b>2,337.53</b>	<b>9,693.34</b>
<b>Tax expense:</b>			
Current tax	22	-	-
Deferred tax charge	22	589.74	3,391.77
<b>Total tax expenses</b>		<b>589.74</b>	<b>3,391.77</b>
<b>Profit for the year</b>		<b>1,747.79</b>	<b>6,301.57</b>
<b>Total comprehensive income for the year</b>		<b>1,747.79</b>	<b>6,301.57</b>
<b>Earnings per share</b>			
(Nominal value of share Rs.10 each)			
Basic (Rs.)	30	4.49	16.20
Diluted (Rs.)	30	4.49	16.20

Basis of preparation, measurement and significant accounting policies

2 - 3

Notes on financial statements

4 - 34

The notes referred above are an integral part of these financial statements

For and on behalf of the Board of Directors

As per our report of even date attached

For JLN US AND COMPANY

Chartered Accountants

Firm's Reg. No. 101543W

CA Mahesh Menaria

Partner

Membership No: 400828

Place: Udaipur

Date : 19 May 2022

Ajendra Kumar Agarwal

Chief Executive Officer

Place: Gurugram

Date : 19 May 2022

Vikas Agarwal

Director

DIN : 03113689

Place: Gurugram

Date : 19 May 2022

Chirag Gandhi

Company Secretary

ICSI Memb. No.: A55452

Place: Gurugram

Date : 19 May 2022

Varun Bhasin

Director

DIN : 03262761

Place: Gurugram

Date : 19 May 2022

Namita Somani

Chief Financial Officer

Place: Udaipur

Date : 19 May 2022





Notes: (continued)

3. Changes in liabilities arising from financing activities in terms of Ind AS 7:

₹ in Lakhs

	As at 1 April 2021	Net cash flow	Others	As at 31 March 2022
Non-current borrowings	1,16,077.07	(9,393.03)	6,499.73	1,13,183.77
Current borrowings	5,519.73	-	2,165.03	7,684.76
<b>Total</b>	<b>1,21,596.80</b>	<b>(9,393.03)</b>	<b>8,664.76</b>	<b>1,20,868.53</b>

	As at 1 April 2020	Net cash flow	Others	As at 31 March 2021
Non-current borrowings	92,777.32	19,019.06	4,280.69	1,16,077.07
Current borrowings	329.95	-	5,189.78	5,519.73
<b>Total</b>	<b>93,107.27</b>	<b>19,019.06</b>	<b>9,470.47</b>	<b>1,21,596.80</b>

4 Figures in brackets represent outflows.

Basis of preparation, measurement and significant accounting policies	2 - 3
Notes on financial statements	4 - 34

The notes referred above are an integral part of these financial statements

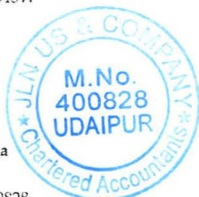
For and on behalf of the Board of Directors

As per our report of even date attached

For JLN US AND COMPANY  
Chartered Accountants  
Firm's Reg. No. 101543W



CA Mahesh Menaria  
Partner  
Membership No: 400828  
Place: Udaipur  
Date : 19 May 2022



  
Ajendra Kumar Agarwal  
Chief Executive Officer

Place: Gurugram  
Date : 19 May 2022

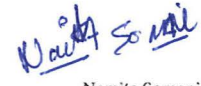
  
Vikas Agarwal  
Director

DIN : 03113689  
Place: Gurugram  
Date : 19 May 2022

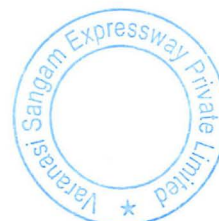
  
Chirag Gandhi  
Company Secretary  
ICSI Memb. No.: A55452  
Place: Gurugram  
Date : 19 May 2022

  
Varun Bhasin  
Director

DIN : 03262761  
Place: Gurugram  
Date : 19 May 2022

  
Namita Somani  
Chief Financial Officer

Place: Udaipur  
Date : 19 May 2022



# Varanasi Sangam Expressway Private Limited

CIN U45500RJ2017PTC057753

Statement of Changes in Equity

for the year ended 31 March 2022

## A. Equity Share Capital

₹ in Lakhs

Particulars	Number of shares	Amount
Balance as at 1 April 2020	3,88,90,000	3,889.00
Changes in Equity Share Capital due to prior period errors	-	-
Changes in equity share capital during the year	-	-
Balance as at 31 March 2021	3,88,90,000	3,889.00
Changes in Equity Share Capital due to prior period errors	-	-
Changes in equity share capital during the year	-	-
Balance as at 31 March 2022	3,88,90,000	3,889.00

## B. Other Equity

₹ in Lakhs

Particulars	Retained Earnings	Debenture redemption reserve	Total
Balance as at commencement of year	3,326.94		3,326.94
Total comprehensive income for the year ended 31 Mar 2021			
Profit for the year	6,301.57		6,301.57
Balance as at 31 March 2021	9,628.51	-	9,628.51
Total comprehensive income for the year ended 31 Mar 2022			
Profit for the year	1,747.79		1,747.79
Items of other comprehensive income for the year, net of taxes			
Transfer to debenture redemption reserve	(7,630.25)	7,630.25	
Total comprehensive income for the year	(5,882.46)	7,630.25	1,747.79
Balance as at 31 March 2022	3,746.05	7,630.25	11,376.30

Basis of preparation, measurement and significant accounting policies

2 - 3

Notes on financial statements

4 - 34

The notes referred above are an integral part of these financial statements

For and on behalf of the Board of Directors

As per our report of even date attached

For JLN US AND COMPANY

Chartered Accountants

Firm's Reg. No. 101543W

*Ajendra Choudhary*  
Ajendra Kumar Agarwal  
Chief Executive Officer

Place: Gurugram

Date : 19 May 2022

*MAHESH MENARIA*

CA Mahesh Menaria

Partner

Membership No: 400828

Place: Udaipur

Date : 19 May 2022



*Vikas Agarwal*  
Vikas Agarwal  
Director

DIN : 03113689

Place: Gurugram

Date : 19 May 2022

Varun Bhasin

Director

DIN : 03262761

Place: Gurugram

Date : 19 May 2022

*Chirag Gandhi*  
Chirag Gandhi

Company Secretary

ICSI Memb. No.: A55452

Place: Gurugram

Date : 19 May 2022

*Namita Somani*  
Namita Somani

Chief Financial Officer

Place: Udaipur

Date : 19 May 2022





# Varanasi Sangam Expressway Private Limited

CIN U45500RJ2017PTC057753

## Statement of Cash Flows

for the year ended 31 March 2022

₹ in Lakhs			
Particulars	Ref Note No.	For the year ended 31 March 2022	For the year ended 31 March 2021
<b>Cash flows from operating activities</b>			
Profit before tax		2,337.53	9,693.34
Adjustments for:			
Interest income		(327.70)	(75.98)
Finance costs		9,704.24	9,470.47
		11,714.07	19,087.83
Working capital adjustments :			
Decrease / (increase) in financial and non-financial assets		9,139.47	(38,120.42)
Decrease / (increase) in trade receivables		328.21	(223.87)
(Decrease)/ increase in trade payables		(3,499.39)	1,601.08
(Decrease) in provisions, financial and non-financial liabilities		(15.62)	(293.54)
Cash generated / (used in) from operating activities		17,666.74	(17,948.92)
Income tax paid (net)		(1,435.98)	1,164.03
<b>Net cash generated / (used in) from operating activities (A)</b>		<b>16,230.76</b>	<b>(16,784.89)</b>
<b>Cash flows from investing activities</b>			
Interest received		327.70	75.98
(Investments)/ Redemptions of bank deposits (net)		1,702.97	(2,112.97)
<b>Net cash generated / (used in) from investing activities (B)</b>		<b>2,030.67</b>	<b>(2,036.99)</b>
<b>Cash flows from financing activities</b>			
Interest paid		(8,664.76)	(7,697.86)
Repayment of non-current borrowings		(23,756.75)	-
Proceeds from non-current borrowings		21,989.00	26,716.92
<b>Net cash (used in) / generated from financing activities (C)</b>		<b>(10,432.51)</b>	<b>19,019.06</b>
<b>Net increase in cash and cash equivalents (A+B+C)</b>		<b>7,828.92</b>	<b>197.18</b>
Cash and cash equivalents at 1 April		1,302.30	1,105.13
<b>Cash and cash equivalents at 31 March</b>		<b>9,131.22</b>	<b>1,302.30</b>

### Notes:

- 1 Cash and cash equivalents comprises of (refer note 8)

₹ in Lakhs			
	Ref Note No.	As at 31 March 2022	As at 31 March 2021
Cash and cash equivalents			
Balances with banks:			
- Current accounts		9,131.22	1,302.30
<b>Cash and cash equivalents</b>		<b>9,131.22</b>	<b>1,302.30</b>
<b>Cash and cash equivalents in statement of cash flow</b>		<b>9,131.22</b>	<b>1,302.30</b>

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



# Varanasi Sangam Expressway Private Limited

## Notes to the financial statements

for the year ended 31 March 2022

### 1. Reporting entity

Varanasi Sangam Expressway Private Limited ('the Company') having Registered office at GR House, Hiran Magri, Sector 11, Udaipur, Rajasthan, 313002 was incorporated in Udaipur Rajasthan, India on April 17, 2017 as a Private limited company under the Companies Act, 2013 (the 'Act') as a subsidiary of G R Infraprojects Limited.

The Company is formed as a special purpose vehicle (SPV) to design, build, operate and transfer basis, ("DBOT Annuity" or "Hybrid Annuity") the project relating to Six Laning of Handia Varanasi Section of NH -2 from km 713.146 to km 785.544 (Approx.72.398 km) in the State of Uttar Pradesh under NHDP Phase -V on Hybrid annuity mode. The company has entered into concession agreement with the National Highway Authority of India ("NHAI") dated 21st August, 2018.

The Financial Statements were approved for issue in accordance with a resolution of the board of directors on May 19, 2022.

### 2. Basis of preparation

#### a. Statement of compliance

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, (the 'Act'), Companies (Indian Accounting Standards) Rules, 2015 as amended by Companies (Indian Accounting Standards) (Amendment) Rules, 2016 and other relevant provisions of the Act.

Details of the Company's accounting policies are included in Note 3.

#### b. Functional and presentation currency

These financial statements are presented in Indian Rupees (Rs.), which is also the Company's functional currency. All amounts have been rounded-off to the nearest lakhs, unless otherwise indicated.

#### c. Basis of measurement

The financial statements have been prepared on the historical cost using accrual basis of accounting except certain financial instruments measured at fair values.

#### d. Use of estimates and judgments

In preparing these financial statements, management has made judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

#### Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year are included in the following notes:

- Recognition of Current / Deferred tax expense
- Revenue recognition under service concession arrangement
- Provision for doubtful debts





# Varanasi Sangam Expressway Private Limited

## Notes to the financial statements (continued)

for the year ended 31 March 2022

### e. Measurement of fair values

Some of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values. This includes a financial reporting team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values, and reports directly to the chief financial officer.

The financial reporting team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as pricing services, is used to measure fair values, then the financial reporting team assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

**Level 1:** quoted prices (unadjusted) in active markets for identical assets or liabilities.

**Level 2:** inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

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

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the following notes:

- Investments
- Financial instruments



# Varanasi Sangam Expressway Private Limited

## Notes to the financial statements (*continued*)

for the year ended 31 March 2022

### 3. Significant accounting policies

#### a. Foreign currency transaction

Transactions in foreign currencies are translated into the respective functional currencies of the Company at the exchange rates at the date of the transaction or at an average rate if the average rate approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Exchange differences are recognised in profit or loss.

#### b. Financial instruments

##### i Initial recognition and measurement

All financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions of the instruments. A financial asset and financial liability is initially measured at fair value except Trade receivable which is measured at transaction price in accordance with Ind AS 115. Transaction price 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 and loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction price directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit and loss are recognised immediately in the Statement of Profit and Loss.

Financial assets and financial liabilities are offset when the Group has a legally enforceable right (not contingent on future events) to off-set the recognised amounts either to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

##### ii Classification and subsequent measurement

For purposes of subsequent measurement, financial assets are classified based on assessment of business model and contractual cashflows in which they are held.

##### Financial assets

On initial recognition, a financial asset is classified as measured at

- amortised cost;
- FVOCI – debt investment;
- FVOCI – equity investment; or
- FVTPL

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.





# Varanasi Sangam Expressway Private Limited

## Notes to the financial statements (continued)

for the year ended 31 March 2022

### At amortized cost

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

### At fair value through Other comprehensive income (FVOCI)

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

At present, the Company does not have investments in any debt securities classified as FVOCI.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment by investment basis.

### At fair Value through Profit and Loss (FVTPL)

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset.

### Financial assets: Business model assessment

The Company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Company's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.



# Varanasi Sangam Expressway Private Limited

## Notes to the financial statements (continued)

for the year ended 31 March 2022

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Company's continuing recognition of the assets.

### *Assessment whether contractual cash flows are solely payments of principal and interest*

Further, management also evaluates whether the contractual cash flows are solely payment of principal and interest considering the contractual terms of the instrument.

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable interest rate features;
- prepayment and extension features; and
- terms that limit the Company's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a significant discount or premium to its contractual paramount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

### *Financial assets: Subsequent measurement and gains and losses*

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to profit or loss.





# Varanasi Sangam Expressway Private Limited

## Notes to the financial statements (continued)

for the year ended 31 March 2022

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in statement of profit and loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in statement of profit and loss. Any gain or loss on derecognition is also recognised in statement of profit and loss.

Fees paid on the establishment of loan facilities are recognised as transaction costs of loan to the extent it is probable that some or all of the loan facility will be drawn down. The facility fee and related payments are accounted for as a transaction cost under Ind AS 109. The said facility fee is deferred and treated as a transaction cost when draw-down occurs; it is not amortised prior to the draw-down.

### iii. *Derecognition*

#### *Financial assets*

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset. Further, the contractual terms of the existing financial assets are substantially modified, such modification is treated as the derecognition of original financial asset and the recognition of a new financial asset. Such newly recognized financial asset is measured at fair value on initial recognition. The difference in respective carrying amount, if any, is recognized in the Statement of Profit and Loss. If the modification of a financial asset does not result in its derecognition, then the gross carrying amount of the financial asset is recalculated at original effective interest rate and the resulting gain or loss is recognized in the Statement of Profit and Loss.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

#### *Financial liabilities*

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled or expire.

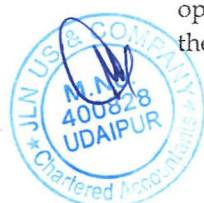
The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit or loss.

### iv. *Offsetting*

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

### c. *Operating cycle*

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III of the Companies Act, 2013. Operating cycle is the time from start of the project to their realization in cash or cash equivalents.



# Varanasi Sangam Expressway Private Limited

## Notes to the financial statements (continued)

for the year ended 31 March 2022

### d. Property, plant and equipment

#### i. Recognition and measurement

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in statement of profit and loss.

#### ii. Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

#### iii. Derecognition

The carrying amount of an item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The consequential gain or loss is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognized in the Statement of Profit and Loss.

#### iv. Depreciation

Depreciation on property, plant and equipment is calculated on straight line basis over the estimated useful lives as prescribed under schedule II of the Act.

### e. Intangible assets

#### i. Recognition and measurement

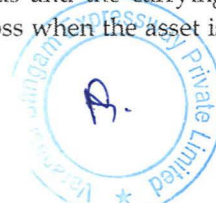
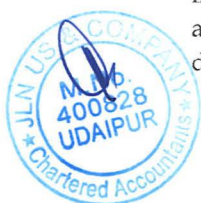
Intangible assets including those acquired by the Company are initially measured at cost. Such intangible assets are subsequently measured at cost less accumulated amortisation and any accumulated impairment losses.

#### ii. Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in profit or loss as incurred.

#### iii. Derecognition

The carrying amount of an intangible asset is derecognised on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the Derecognition of an intangible asset is measured as the difference between the net disposal proceeds and the carrying amount of the intangible asset and is recognised in the Statement of Profit and Loss when the asset is derecognised.





# Varanasi Sangam Expressway Private Limited

## Notes to the financial statements (continued)

for the year ended 31 March 2022

### iv. Amortisation

Amortisation is calculated to write off the cost of the intangible assets less their estimated residual values over their estimated useful lives using the straight-line method and is included in depreciation and amortisation in financial statement.

### f. Inventories

Inventories are measured at the lower of cost and net realisable value. However, materials and other items held for use in civil construction work and / or production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. The cost of inventories is based on the weighted average cost method, and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their present location and condition.

In the case of manufactured inventories and work-in-progress, cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost is determined on weighted average cost method. Trading goods are valued at lower of cost and net realizable value. Cost is determined on weighted average cost method basis.

### g. Impairment

#### i Impairment of financial instruments

The Company recognises loss allowances for expected credit losses on:

- financial assets measured at amortised cost;
- contract assets recognised under contract with customers; and
- financial assets measured at FVOCI including debt investments.

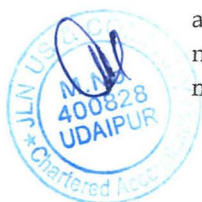
At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being past due for 90 days or more;
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation;
- or
- the disappearance of an active market for a security because of financial difficulties.

The Company measures loss allowances at an amount equal to lifetime expected credit losses, except for bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition, which are measured as 12 month expected credit losses.

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses. Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument. Twelve months expected credit losses are the portion of expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).



# Varanasi Sangam Expressway Private Limited

## Notes to the financial statements (continued)

for the year ended 31 March 2022

In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Company is exposed to credit risk. When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward looking information.

### Measurement of expected credit losses

Expected credit losses are a probability weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive).

### Presentation of allowance for expected credit losses in the balance sheet.

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

## ii Impairment of non-financial assets

The Company's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

The Company's corporate assets (e.g., central office building for providing support to various CGUs) do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

In respect of other assets for which impairment loss has been recognised in prior periods, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.





# Varanasi Sangam Expressway Private Limited

## Notes to the financial statements (continued)

for the year ended 31 March 2022

### h. Employee benefits

#### Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g. Under short-term cash bonus, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

### i. Provisions and contingencies (other than for employee benefits)

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

The unwinding of the discount is recognised as finance cost. Expected future operating losses are not provided for.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed."

"Provisions are not recognised for future operating losses."

#### Contingencies

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

### j. Revenue from contracts with customer

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

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

#### Service Concession Arrangement

Service concession arrangements (SCA) refers to the arrangement between the grantor (a public sector entity) and the operator (a private sector entity) to provide service that give the public access to major economic and social facilities utilising private sector funds and expertise.

With respect to the SCA, revenue and cost are allocated between those relating to the construction services and those related to the operation and maintenance services, and accounted for separately.

The Company constructs the infrastructure (road) used to provide a public service and operates and maintains that infrastructure for a specified period of time. Under Appendix D to Ind AS 115 - Revenue from Contracts with Customers, this arrangement is accounted for based on the nature of the consideration. The intangible asset is used to the extent that the Company receives a right to charge the



# Varanasi Sangam Expressway Private Limited

## Notes to the financial statements (continued)

for the year ended 31 March 2022

users of the public service. The financial asset is used when the Company has an unconditional right to receive cash or another financial asset from or at the direction of the grantor for the construction services.

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

Revenue from construction of contracts is recognised by applying percentage of completion method after providing for foreseeable losses, if any. percentage of completion method is determined as a proportion of the cost incurred up to the reporting date to the total estimated cost to complete. Foreseeable losses, if any on the contracts is recognised as expense in the period in which it is foreseen, irrespective of the stage of completion of the contract. While determining the amount of foreseeable loss, all elements of cost and related incidental income not included in contract revenue is taken into consideration. Contract is reflected at cost that are expected to be recoverable till such time the outcome of the contract cannot be ascertained reliably and at realisable value thereafter.

### Contract balances

#### Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer e.g. unbilled revenue. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset i.e. unbilled revenue is recognised for the earned consideration that is conditional. The contract assets are transferred to receivables when the rights become unconditional. This usually occurs when the Company issues an invoice to the Customer.

#### Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional i.e. only the passage of time is required before payment of consideration is due.

#### Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. Contract liabilities are recognised as revenue when the Company performs under the contract.

#### Others

Interest income is recognised using effective interest rate (EIR) method.

### k. Leases

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. 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 identified asset; (ii) the Company has substantially all of the economic benefits from the use of the asset through the period of lease and (iii) the Company has right to direct the use of the asset.

#### a) As a lessee

Lease term is a non-cancellable period together with periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. The Company uses judgement in assessing the lease term (including anticipated renewals/termination options).

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs





# Varanasi Sangam Expressway Private Limited

## Notes to the financial statements (continued)

for the year ended 31 March 2022

incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right-of-use asset reflects that the Company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease or, if that rate cannot be readily determined. After the commencement date, lease liability is increased to reflect the accretion of interest and reduced for the lease payment made.

Lease payments included in the measurement of the lease liability comprises of fixed payments, including in-substance fixed payments, amounts expected to be payable under a residual value guarantee and the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option.

The lease liability is measured at amortised cost using the effective interest method. Modifications to a lease agreement beyond the original terms and conditions are generally accounted for as a re-measurement of the lease liability with a corresponding adjustment to the ROU asset. Any gain or loss on modification is recognized in the Statement of Profit & Loss. However, the modifications that increase the scope of the lease by adding the right to use one or more underlying assets at a price commensurate with the stand-alone selling price are accounted for as a separate new lease. In case of lease modifications, discounting rates used for measurement of lease liability and ROU assets is also suitably adjusted.

### Short-term leases and leases of low-value assets

The Company has elected not to recognise right of use assets and lease liabilities for short term leases of all the assets that have a lease term of twelve months or less with no purchase option and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.

### b) As a lessor

Leases for which the Company is a lessor is classified as finance or operating leases. When the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

### 1. Recognition of interest income or expense, Insurance claim received

Interest income or expense is recognised using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.
- Insurance claims are accounted for on the basis of claims admitted/expected to be admitted and to the extent that there is no uncertainty in receiving the claims.



# Varanasi Sangam Expressway Private Limited

## Notes to the financial statements (continued)

for the year ended 31 March 2022

### m. Income tax

Income tax comprises of current and deferred tax. It is recognised in the statement of profit and loss except to the extent that it relates to an item recognised directly in equity or in OCI.

#### i Current tax

Current tax comprises of the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

#### ii Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets –unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

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

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

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

#### Presentation of current and deferred tax:

Current and deferred tax are recognized as income or an expense in the Statement of Profit and Loss, except when they relate to items that are recognized in Other Comprehensive Income, in which case, the current and deferred tax income/expense are recognized in Other Comprehensive Income.





# Varanasi Sangam Expressway Private Limited

## Notes to the financial statements (continued)

for the year ended 31 March 2022

The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously. In case of deferred tax assets and deferred tax liabilities, the same are offset if the Company has a legally enforceable right to set off corresponding current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority on the Company.

### 11. Borrowing cost

Borrowing costs are interest and other incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

### o. Earnings per Share

Basic earnings per share is computed by dividing the net profit for the period attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

In a capitalisation or bonus issue or a share split, ordinary shares are issued to existing shareholders for no additional consideration. The number of ordinary shares outstanding before the event is adjusted for the proportionate change in the number of ordinary shares outstanding as if the event had occurred at the beginning of the earliest period presented

### p. Operating segments

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM) of the Company. The CODM is responsible for allocating resources and assessing performance of the operating segments of the Company.

### q. Cash and cash equivalents

Cash and Cash equivalents for the purpose of Cash Flow Statement comprise cash, drafts and cheques in hand, bank balances, unencumbered demand deposits with banks where the original maturity is three months or less and other short term highly liquid investments. Bank overdrafts that are repayable on demand and form an integral part of the Company's cash management are included as a component of cash and cash equivalent for the purpose of Cash Flow Statement.

"Cash flows are reported using the indirect method, whereby net profits / (Loss) before tax is adjusted for effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments and item of expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the company are segregated."



# Varanasi Sangam Expressway Private Limited

## Notes to the financial statements (continued)

for the year ended 31 March 2022

### r. Standards notified but not yet effective

Following are the amendments to existing standards (as notified by Ministry of Corporate Affairs (MCA) on 23rd March, 2022) which are effective for annual periods beginning after 1st April 2022. The Company intends to adopt these standards or amendments from the effective date, as applicable and relevant. These amendments are not expected to have a significant impact on the Company's financial statements. This assessment is based on currently available information and may be subject to changes arising from further reasonable and supportable information being made available to the Company when it will adopt the respective standards.

- Ind AS 16 Property, Plant and Equipment - For items produced during testing/trail phase, clarification added that revenue generated out of the same shall not be recognised in Statement of Profit and Loss and considered as part of cost of PPE.
- Ind AS 37 Provisions, Contingent Liabilities & Contingent Assets - Provisions on what constitutes cost of fulfilling contracts (to determine whether the contract is onerous or not) is included.
- Ind AS 41 Agriculture - This aligns the fair value measurement in Ind AS 41 with the requirements of Ind AS 113 Fair Value Measurement to use internally consistent cash flows and discount rates and enables preparers to determine whether to use pre-tax or post-tax cash flows and discount rates for the most appropriate fair value measurement.
- Ind AS 101 - First time Adoption of Ind AS - Measurement of Foreign Currency Translation Difference in case of subsidiary/associate/ JV's date of transition to Ind AS is subsequent to that of Parent.
- Ind AS 103 - Business Combination - Reference to revised Conceptual Framework is included. For contingent liabilities / levies, clarification is added on how to apply the principles for recognition of contingent liabilities from Ind AS 37. Recognition of contingent assets is not allowed.
- Ind AS 109 Financial Instruments - The amendment clarifies which fees an entity includes when it applies the '10 per cent' test in assessing whether to derecognise a financial liability.





# Varanasi Sangam Expressway Private Limited

Notes to the financial statements  
for the year ended 31 March 2022

## 4 Other financial assets (Unsecured considered good)

Particulars	Ref Note No.	₹ in Lakhs	
		As at 31 March 2022	As at 31 March 2021
<b>Non-current</b>			
Right to receive annuity from concession grantor	28	1,10,570.69	1,15,394.18
		<u>1,10,570.69</u>	<u>1,15,394.18</u>
<b>Current</b>			
Right to receive annuity from concession grantor	28	6,854.09	9,385.75
Security and other deposits		71.38	71.38
		<u>6,925.47</u>	<u>9,457.13</u>
		<u>1,17,496.16</u>	<u>1,24,851.31</u>

## 5 Other assets (Unsecured, Considered Good)

Particulars	Ref Note No.	₹ in Lakhs	
		As at 31 March 2022	As at 31 March 2021
<b>Non-current</b>			
Balance with government authorities			
GST input receivable		7,560.74	11,683.86
		<u>7,560.74</u>	<u>11,683.86</u>
<b>Current</b>			
Advance to suppliers for goods and services		0.02	-
Prepaid expenses		132.59	129.84
Balance with government authorities			
TDS -GST		2,358.14	1,921.61
GST input receivable		1,899.51	-
		<u>4,390.26</u>	<u>2,051.45</u>
		<u>11,951.00</u>	<u>13,735.31</u>

## 6 Tax assets

Particulars	Ref Note No.	₹ in Lakhs	
		As at 31 March 2022	As at 31 March 2021
<b>Non-current</b>			
Advance tax (net of provision for tax)		1,569.70	133.72
		<u>1,569.70</u>	<u>133.72</u>



# Varanasi Sangam Expressway Private Limited

Notes to the financial statements  
for the year ended 31 March 2022

## 7 Trade Receivables

Particulars	Ref Note No.	₹ in Lakhs	
		As at 31 March 2022	As at 31 March 2021
<b>Current</b>			
Trade receivables		282.49	610.70
Less: expected credit loss / allowance for doubtful debts		-	-
		<u>282.49</u>	<u>610.70</u>
<b>Break-up of Security details</b>			
Unsecured, considered good		282.49	610.70
Trade Receivables - credit impaired		-	-
		<u>282.49</u>	<u>610.70</u>
<b>Impairment Allowance (allowance for bad and doubtful debts)</b>			
Balance as at beginning of the year		-	-
Add: Allowance for the year		-	-
Less: Adjustment during the year		-	-
Balance as at end of the year		<u>-</u>	<u>-</u>

Below is Trade receivables ageing schedule based on outstanding from due date of payment

	Current but not due	Outstanding for following periods from due date of payment					Total
		Less than 6 month	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
<b>31 March 2022</b>							
Undisputed Trade Receivables - considered good	-	106.29	-	89.36	43.72	43.12	282.49
Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade receivable - credit impaired	-	-	-	-	-	-	-
Disputed Trade receivables - considered good	-	-	-	-	-	-	-
Disputed Trade receivables - credit impaired	-	-	-	-	-	-	-
<b>Total</b>	-	<u>106.29</u>	<u>-</u>	<u>89.36</u>	<u>43.72</u>	<u>43.12</u>	<u>282.49</u>
<b>31 March 2021</b>							
Undisputed Trade Receivables - considered good	-	67.99	455.88	43.72	43.12	-	610.70
Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade receivable - credit impaired	-	-	-	-	-	-	-
Disputed Trade receivables - considered good	-	-	-	-	-	-	-
Disputed Trade receivables - credit impaired	-	-	-	-	-	-	-
<b>Total</b>	-	<u>67.99</u>	<u>455.88</u>	<u>43.72</u>	<u>43.12</u>	<u>-</u>	<u>610.70</u>

### Notes:-

- Trade Receivables are non interest bearing.
- No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

Retention money relating to construction contracts are included in above trade receivables as they are recoverable within the operating cycle of the Company.

Particulars	Ref Note No.	₹ in Lakhs	
		As at 31 March 2022	As at 31 March 2021
Retention money		180.51	520.82
		<u>180.51</u>	<u>520.82</u>

## 8 Cash and cash equivalents

Particulars	Ref Note No.	₹ in Lakhs	
		As at 31 March 2022	As at 31 March 2021
Balance with banks			
in current accounts		633.80	1,302.30
Deposits with original maturity of less than three months *		8,497.42	-
		<u>9,131.22</u>	<u>1,302.30</u>

\* Deposits lien with banks/ lenders against Debt Service Reserve Account (DSRA) and Major Maintenance Reserve Account (MMRA).

7,008.00

-

## 9 Other bank balances

Particulars	Ref Note No.	₹ in Lakhs	
		As at 31 March 2022	As at 31 March 2021
Deposits with remaining maturity less than 12 months #		410.00	2,112.97
		<u>410.00</u>	<u>2,112.97</u>

# Deposits lien with banks/ lenders against Debt Service Reserve Account (DSRA) and Major Maintenance Reserve Account (MMRA).

410.00

-





# Varanasi Sangam Expressway Private Limited

Notes to the financial statements (continued)  
for the year ended 31 March 2022

## 10 Equity Share capital

Particulars	₹ in Lakhs	
	As at 31 March 2022	As at 31 March 2021
<b>Authorised</b>		
3,89,00,000 equity shares of Rs. 10 each	3,890.00	3,890.00
	3,890.00	3,890.00
<b>Issued, subscribed and paid up</b>		
3,89,00,000 equity shares of Rs. 10 each	3,889.00	3,889.00
	3,889.00	3,889.00

Reconciliation of equity share outstanding at the beginning and at the end of the year.

Particulars	31 March 2022		31 March 2021	
	Numbers	Amount	Numbers	Amount
At the commencement of the year	3,88,90,000	3,889.00	3,88,90,000	3,889.00
Add: Issued during the year	-	-	-	-
At the end of the year	3,88,90,000	3,889.00	3,88,90,000	3,889.00

Particulars of shareholders holding more than 5% equity shares in the Company

Particulars	31 March 2022		31 March 2021	
	Numbers	% of total share in class	Numbers	% of total share in class
Equity share of Rs. 10 each fully paid-up held				
- G R Infraprojects Limited (Parent Company)	3,88,90,000	100.00	3,88,90,000	100.00

Particulars of Shares held by promoters at the end of the year

Promoter name	As at March 31, 2022			As at March 31, 2021		
	No. of Shares	% of total shares	% Change during the year	No. of Shares	% of total shares	% Change during the year
G R Infraprojects Limited	3,88,90,000	100	-	3,88,90,000	100	-

Terms & Rights attached to equity shares:

The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to its share of the paid-up equity capital of the Company. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable have not been paid. Failure to pay any amount called up on shares may lead to forfeiture of the shares.

On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

## 11 Other equity

Particulars	₹ in Lakhs		
	Retained Earnings	Debenture redemption reserve	Total
Balance as at 1 April 2020	3,326.94		3,326.94
Profit for the year	6,301.57		6,301.57
Total comprehensive income for the year	-		-
Balance as at 31 March 2021	9,628.51	-	9,628.51
Profit for the year	1,747.79		1,747.79
Transfer to debenture redemption reserve	(7,630.25)	7,630.25	-
Total comprehensive income for the year	-		-
Balance as at 31 March 2022	3,746.05	7,630.25	11,376.30

Debenture redemption reserve ('DRR')

The reserve is created for redemption of non-convertible debentures in accordance with the sub-section (4) of section 71 of the Companies Act, 2013 out of profits of the Company available for dividend distribution. Pursuant to Companies (Share Capital and Debentures) Amendment Rules, 2019 dated 16 August 2019, the requirement for creation of DRR for listed company is done away with. Accordingly, the Company has transferred the accumulated DRR balance to Retained Earnings.



# Varanasi Sangam Expressway Private Limited

Notes to the financial statements (continued)  
for the year ended 31 March 2022

## 12 Non current borrowings

Particulars	Ref Note No.	₹ in Lakhs	
		As at 31 March 2022	As at 31 March 2021
<b>Secured Loans - From Banks</b>			
HDFC Bank Limited		33,303.05	21,379.96
Punjab National Bank		-	38,028.48
Syndicate Bank		-	13,869.69
Allahabad Bank		-	19,543.06
		<u>33,303.05</u>	<u>92,821.19</u>
<b>Debentures - Secured</b>			
Secured, rated, freely transferrable, listed, redeemable, non convertible debentures		77,097.19	-
		<u>77,097.19</u>	<u>-</u>
<b>Unsecured Loans</b>			
Loan from G R Infraprojects Limited (Parent Company)		10,468.29	28,775.61
		<u>10,468.29</u>	<u>28,775.61</u>
<b>Total</b>		<u>1,20,868.53</u>	<u>1,21,596.80</u>
Non-Current portion of long term borrowings		1,13,183.77	1,16,077.07
Current maturities of long term borrowings		7,684.76	5,519.73
		<u>1,20,868.53</u>	<u>1,21,596.80</u>

### Notes:

- Debt Covenants:  
Non-current borrowings contains debt covenants relating to debt-equity ratio, debt coverage ratio, interest coverage ratio and total debts to net worth ratio. The Company has satisfied all the debts covenants prescribed in the terms of respective loan/debenture agreement as at reporting date.
- Undrawn borrowing facility  
Disclosure of undrawn borrowing facilities (excluding non-fund based facilities) towards future projects to be executed by the Company is Rs Nil  
( 31 March 2021 Rs 4,489 lakhs )





# Varanasi Sangam Expressway Private Limited

Notes to the financial statements (continued)  
for the year ended 31 March 2022

## 12.1 Borrowings (continued)

Note : Nature of security, interest rate, repayment terms and other information for borrowings.

Sr No	Particulars	31 March 2022			31 March 2021			Security	Repayment terms
		Total	Non-Current	Current	Total	Non-Current	Current		
<b>(A) Secured loans from banks</b>									
(i)	HDFC Bank Limited	33,303.05	31,218.03	2,085.02	21,379.96	20,045.56	1,334.40	First charges by way of hypothecation of all the fixed assets /Movable assets projects book debts,operating cash flow , receivable , revenue whatever nature , uncalled capital, Projects bank account and Assignment of all the Varanasi Sangam Expressway Private Limited's right, insurance policies and interest under all the agreement related to the projects and guarantee or performance bond provided by any party for any contract related to the projects in favor of the borrower. pledge of 51% share of equity share	Repayment in 27 half-yearly installment for existing loan refinanced and 28 half-yearly installment for the top up loan repayment ranging from 2.50% to 13.50% of loan taken , along with monthly interest rate from 6.95% p.a.
(ii)	Punjab National Bank	-	-	-	38,028.48	35,923.52	2,104.96	First charges by way of hypothecation of all the fixed assets /Movable assets projects book debts,operating cash flow , receivable , revenue whatever nature , uncalled capital, Projects bank account and Assignment of all the Varanasi Sangam Expressway Private Limited's right, insurance policies and interest under all the agreement related to the projects and guarantee or performance bond provided by any party for any contract related to the projects in favor of the borrower. pledge of 51% share of equity share	Repayment in 27 half-yearly installment commencing post completion of moratorium period post COD for the repayment ranging from 2.50% to 4.50% of loan taken , along with monthly interest rate from 8.65% p.a.
(iii)	Canara Bank (erstwhile Syndicate Bank)	-	-	-	13,869.69	13,006.94	862.75	First charges by way of hypothecation of all the fixed assets /Movable assets projects book debts,operating cash flow , receivable , revenue whatever nature , uncalled capital, Projects bank account and Assignment of all the Varanasi Sangam Expressway Private Limited's right, insurance policies and interest under all the agreement related to the projects and guarantee or performance bond provided by any party for any contract related to the projects in favor of the borrower, pledge of 51% share of equity share	Repayment in 27 half-yearly installment commencing post completion of moratorium period post COD for the repayment ranging from 2.50% to 4.50% of loan taken , along with monthly interest rate from 8.65% p.a.
(iv)	Indian Bank (Erstwhile Allahabad Bank)	-	-	-	19,543.06	18,325.45	1,217.61	First charges by way of hypothecation of all the fixed assets /Movable assets projects book debts,operating cash flow , receivable , revenue whatever nature , uncalled capital, Projects bank account and Assignment of all the Varanasi Sangam Expressway Private Limited's right, insurance policies and interest under all the agreement related to the projects and guarantee or performance bond provided by any party for any contract related to the projects in favor of the borrower, pledge of 51% share of equity share	Repayment in 27 half-yearly installment commencing post completion of moratorium period post COD for the repayment ranging from 2.50% to 4.50% of loan taken , along with monthly interest rate from 8.65% p.a.
(v)	Secured, rated, freely transferrable, listed, redeemable, non convertible Debentures	77,097.19	71,497.45	5,599.74	-	-	-	First charges by way of hypothecation of all the fixed assets /Movable assets projects book debts,operating cash flow , receivable , revenue whatever nature , uncalled capital, Projects bank account and Assignment of all the Varanasi Sangam Expressway Private Limited's right, insurance policies and interest under all the agreement related to the projects and guarantee or performance bond provided by any party for any contract related to the projects in favor of the borrower. pledge of 51% share of equity share	Repayment in 27 half-yearly installment for existing loan refinanced and 28 half-yearly installment for the top up loan repayment ranging from 2.50% to 13.50% of loan taken , along with half-yearly interest rate from 6.80% p.a.
		1,10,400.24	1,02,715.48	7,684.76	92,821.19	87,301.46	5,519.73		
<b>(B) Unsecured loans from other</b>									
(i)	Loan from G R Infraprojects Limited (Parent Company)	10,468.29	10,468.29	-	28,775.61	28,775.61	-	Unsecured	<b>Rate of Interest :</b> 9.00 % for the year 2021-22, the same shall be determined on a yearly basis as per the cost of funds of the Parent Company <b>Terms and Source of repayment :</b> Repayable from the cash flows available after meeting the senior debt obligation, in line with the waterfall mechanism as per described under the Concession Agreement / Common Loan Agreement and Escrow Agreement
		10,468.29	10,468.29	-	28,775.61	28,775.61	-		
		1,20,868.53	1,13,183.77	7,684.76	1,21,596.80	1,16,077.07	5,519.73		





# Varanasi Sangam Expressway Private Limited

Notes to the financial statements (continued)

for the year ended 31 March 2022

## 13 Trade payables

Particulars	Ref Note No.	₹ in Lakhs	
		As at 31 March 2022	As at 31 March 2021
Total outstanding dues of			
Micro enterprises and small enterprises (refer note below)		-	-
Creditors other than micro enterprises and small enterprises		360.76	3,860.15
		360.76	3,860.15

### Ageing for trade payables from due date

	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
As at 31 March 2022					
Undisputed creditors other than micro enterprises and small enterprises	360.76	-	-	-	360.76
Disputed creditors other than micro enterprises and small enterprises	-	-	-	-	-
Undisputed Micro enterprises and small enterprises	-	-	-	-	-
Disputed Micro enterprises and small enterprises	-	-	-	-	-
Total	360.76	-	-	-	360.76

### As at 31 March 2021

	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed creditors other than micro enterprises and small enterprises	3,860.15	-	-	-	3,860.15
Disputed creditors other than micro enterprises and small enterprises	-	-	-	-	-
Undisputed Micro enterprises and small enterprises	-	-	-	-	-
Disputed Micro enterprises and small enterprises	-	-	-	-	-
Total	3,860.15	-	-	-	3,860.15

### Notes:-

- Trade payable are non interest bearing and generally have credit period of 30-90 days.
- For terms and conditions relating to related party receivables, refer Note 23
- Total outstanding dues of Micro and small enterprises

Trade payables  
Payable to related parties

₹ in Lakhs	
As at 31 March 2022	As at 31 March 2021
-	-
-	-
-	-

- Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

Particulars	31 March 2022	31 March 2021
The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier at the end of each accounting year;	-	-
The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
The amount of further interest 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 Micro, Small and Medium Enterprises Development Act, 2006.	-	-

The disclosure in respect of the amount payable to enterprises which have provided goods and services to the Company and which qualify under the definition of micro and small enterprises, as defined under Micro, Small and Medium Enterprises Development Act, 2006 has been made in the standalone financial statements as at the reporting date based on the information received and available with the Company. On the basis of such information, no interest is payable to any micro, small and medium enterprises.

## 14 Other financial liabilities

Particulars	Ref Note No.	₹ in Lakhs	
		As at 31 March 2022	As at 31 March 2021
Employee related liabilities		0.50	0.40
		0.50	0.40

## 15 Other current liabilities

Particulars	Ref Note No.	₹ in Lakhs	
		As at 31 March 2022	As at 31 March 2021
Statutory liabilities			
TDS payable		141.86	157.58
		141.86	157.58





# Varanasi Sangam Expressway Private Limited

Notes to the financial statements (continued)

for the year ended 31 March 2022

## 16 Revenue from operations

Particulars	Ref Note No.	₹ in Lakhs	
		For the year ended 31 March 2022	For the year ended 31 March 2021
Revenue from contracts with customers		1,977.87	19,075.75
Revenue from contracts with customers (Utility)		95.24	474.23
Revenue from contracts with customers (COS)		46.93	159.79
Revenue from contracts with customers (Claim)		9.49	-
Finance income		11,040.67	19,081.48
		<u>13,170.20</u>	<u>38,791.25</u>

## 17 Other income

Particulars	Ref Note No.	₹ in Lakhs	
		For the year ended 31 March 2022	For the year ended 31 March 2021
Interest income			
- on other		14.52	75.98
- on deposits with banks		313.18	-
Claim Income		-	30.15
		<u>327.70</u>	<u>106.13</u>

## 18 Construction costs

Particulars	Ref Note No.	₹ in Lakhs	
		For the year ended 31 March 2022	For the year ended 31 March 2021
Civil sub-contract charges		-	17,999.16
Civil sub-contract charges (COS)		46.45	601.90
Civil sub-contract charges (Utility)		94.29	469.49
Civil sub-contract charges (Claim)		9.38	-
Civil sub-contract charges (O&M)		500.00	-
Labour cess		98.88	67.49
		<u>749.00</u>	<u>19,138.04</u>

## 19 Employee benefits expense

Particulars	Ref Note No.	₹ in Lakhs	
		For the year ended 31 March 2022	For the year ended 31 March 2021
Salaries, wages and bonus		6.00	4.90
		<u>6.00</u>	<u>4.90</u>

## 20 Finance costs

Particulars	Ref Note No.	₹ in Lakhs	
		For the year ended 31 March 2022	For the year ended 31 March 2021
Interest on Borrowing			
- banks		6,376.29	7,547.79
- others		1,374.96	1,916.33
- debenture		1,279.60	-
Other borrowing cost		673.39	6.35
		<u>9,704.24</u>	<u>9,470.47</u>

## 21 Other expenses

Particulars	Ref Note No.	₹ in Lakhs	
		For the year ended 31 March 2022	For the year ended 31 March 2021
Insurance expenses		217.64	261.68
Claim expenses		-	26.92
Payment to auditors (refer note (i) below)		0.60	1.10
Legal and professional charges		111.87	22.41
Independent engineers fees		40.03	126.12
Bank charges		-	0.05
Electricity expenses		324.56	150.65
Misc. expenses		5.66	0.89
Annual custody fee		0.77	0.81
		<u>701.13</u>	<u>590.63</u>

### (i) Payment to auditors

Particulars	Ref Note No.	₹ in Lakhs	
		For the year ended 31 March 2022	For the year ended 31 March 2021
Payment to auditors (exclusive of GST)			
- as auditor			
- Statutory audit		0.60	0.30
- Other services		-	0.80
		<u>0.60</u>	<u>1.10</u>



# Varanasi Sangam Expressway Private Limited

Notes to the financial statements (continued)

for the year ended 31 March 2022

## 22 Tax expense

### A. Income tax (income) / expense recognised in the Statement of Profit and Loss

Particulars	31 March 2022	31 March 2021
Current tax	-	-
Deferred tax	-	-
Attributable to-		
Origination and reversal of temporary differences (refer note D)	589.74	3,391.77
Income tax expense reported in statement of profit and loss	589.74	3,391.77

### B. Reconciliation of effective tax rate

Particulars	31 March 2022	31 March 2021
Profit before tax	2,337.53	9,693.34
Tax using the Company's statutory tax rate	588.31	2,439.62
Effect of:		
Impact of tax ordinance	-	973.40
Changes in estimates	-	(21.25)
Others	1.44	-
Tax expense	589.75	3,391.77

### C. Recognised deferred tax assets and liabilities

#### Movement in temporary differences

As on 31 March 2022

Particulars	Deferred tax (assets)	Deferred tax liabilities	Net deferred tax (assets) / liabilities
Difference in carrying value and tax base in measurement of financial instrument at amortised cost	-	148.76	148.76
Service concession income	-	6,342.01	6,342.01
Unused tax losses	(2,287.15)	-	(2,287.15)
Net deferred tax (assets) / liabilities	(2,287.15)	6,490.77	4,203.62

As on 31 March 2021

Particulars	Deferred tax (assets)	Deferred tax liabilities	Net deferred tax (assets) / liabilities
Difference in carrying value and tax base in measurement of financial instrument at amortised cost	-	156.85	156.85
Service concession income	-	7,828.07	7,828.07
Unused tax losses	(4,371.05)	-	(4,371.05)
Net deferred tax (assets) / liabilities	(4,371.05)	7,984.92	3,613.87

### D. Recognised deferred tax (assets) and liabilities

#### Movement in temporary differences

As on 31 March 2022

Particulars	Balance as at 1 April 2021	Recognised in profit or loss during the year	Balance as at 31 March 2022
Difference in carrying value and tax base in measurement of financial instrument at amortised cost	156.85	(8.09)	148.76
Service concession income	7,828.07	(1,486.06)	6,342.01
Unused tax losses	(4,371.05)	2,083.90	(2,287.15)
	3,613.87	589.75	4,203.62

As on 31 March 2021

Particulars	Balance as at 1 April 2020	Recognised in profit or loss during the year	Balance as at 31 March 2021
Difference in carrying value and tax base in measurement of financial instrument at amortised cost	206.06	(49.21)	156.85
Service concession income	3,500.74	4,327.33	7,828.07
Unused tax losses	(2,323.58)	(2,047.47)	(4,371.05)
MAT credit entitlement	(1,161.12)	1,161.12	-
	222.10	3,391.77	3,613.87

### E. Unused tax losses

Particulars	Balance as at 31 March 2022		Balance as at 31 March 2021	
	Carry Forward Losses	Expiry assessment year	Carry Forward Losses	Expiry assessment year
AY 2019-20	-	2027-28	2,376.20	2027-28
AY 2020-21	-	2028-29	5,603.14	2028-29
AY 2021-22	9,087.56	2029-30	9,388.16	2029-30
Total	9,087.56		17,367.50	
Unused tax losses recognised	9,087.56		17,367.50	





# Varanasi Sangam Expressway Private Limited

Notes to the financial statements (continued)  
for the year ended 31 March 2022

## 23 Related party disclosure

### A. Related parties with whom the company had transactions during the year

#### (a) Parent Company:

G R Infraprojects Limited

#### (b) Key Management Personnel ("KMP"):

Mr. Ajendra Kumar Agarwal - Director (resigned w.e.f 1 March 2021)

Mr. Anand Rathi - Director (resigned w.e.f 1 March 2021)

Mr. Vikas Agarwal - Director

Mr. Karan Agarwal - CFO (resigned w.e.f 28 March 2022)

Ms. Suhani Jain - Director (appointed w.e.f. 16 November, 2021)

Ms. Riya Parakh - Director (resigned w.e.f. 2 November 2021)

Mr. Chirag Gandhi - Company Secretary (appointed w.e.f. 1 April 2020)

Mr. Varun Bhasin - Director

Mr. Ajendra Kumar Agarwal - CEO

Ms. Namita Somani - CFO (appointed w.e.f 29 March 2022)

### B. Related party transactions with Parent Company and its closing balances

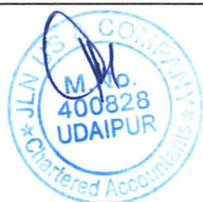
The terms and conditions of the transactions with key management personnel and their related parties were no more favourable than those available, or those which might reasonably be expected to be available, in respect of similar transactions with non-key management personnel related entities on an arm's length basis.

The aggregate value of the Company's transactions and outstanding balances relating to key management personnel and entities over which they have control or significant influence is as follows:

Nature of transaction	Transaction value	
	31 March 2022	31 March 2021
(a) Loan received		
(i) G R Infraprojects Limited	2,100.22	11,177.37
(b) Loan repaid		
(i) G R Infraprojects Limited	21,645.00	2,033.12
(c) Construction costs		
(i) G R Infraprojects Limited	650.12	19,097.47
(d) Interest Paid on unsecured loan		
(i) G R Infraprojects Limited	1,374.96	1,916.33
(e) Remuneration		
(i) Chirag Gandhi	6.00	4.90

Particulars	Balance outstanding receivable/(payable)	
	31 March 2022	31 March 2021
(a) Loan payable		
(i) G R Infraprojects Limited	10,468.29	28,775.61
(b) Trade payables		
(i) G R Infraprojects Limited	338.29	3,733.29
(c) Balance outstanding (payable)		
(i) Chirag Gandhi	0.50	0.40



## Varanasi Sangam Expressway Private Limited

Notes to the financial statements (continued)

for the year ended 31 March 2022

### 24 Fair Value Measurements

#### A. Accounting classification and fair values

As at 31 March 2022

₹ in Lakhs

Particulars	FVTPL*	FVOCI**	Amortised cost	Total	Fair Value			Total
					Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	
Trade receivables	-	-	282.49	282.49				
Cash and cash equivalents	-	-	9,131.22	9,131.22				
Other bank balance	-	-	410.00	410.00				
Other financial assets	-	-	1,17,496.16	1,17,496.16				
<b>Total Financial assets</b>	-	-	<b>1,27,319.87</b>	<b>1,27,319.87</b>	-	-	-	-
Borrowings	-	-	1,20,868.53	1,20,868.53				
Trade payable	-	-	360.76	360.76				
Other financial liabilities	-	-	0.50	0.50				
<b>Total Financial liabilities</b>	-	-	<b>1,21,229.79</b>	<b>1,21,229.79</b>	-	-	-	-

As at 31 March 2021

₹ in Lakhs

Particulars	FVTPL*	FVOCI**	Amortised cost	Total	Fair Value			Total
					Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	
Trade receivables	-	-	610.70	610.70				
Cash and cash equivalents	-	-	1,302.30	1,302.30				
Other bank balance	-	-	2,112.97	2,112.97				
Other financial assets	-	-	1,24,851.31	1,24,851.31				
<b>Total Financial assets</b>	-	-	<b>1,28,877.28</b>	<b>1,28,877.28</b>	-	-	-	-
Borrowings	-	-	1,21,596.80	1,21,596.80				
Trade payable	-	-	3,860.15	3,860.15				
Other financial liabilities	-	-	0.40	0.40				
<b>Total Financial liabilities</b>	-	-	<b>1,25,457.35</b>	<b>1,25,457.35</b>	-	-	-	-

\*FVTPL = Fair value through profit and loss

\*\*FVOCI = Fair value through other comprehensive income

The fair values of the financial assets and financial liabilities included in the level 2 category above has been determined in accordance with generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparties.

There have been no transfers between level 1 and level 2 during the years.

Valuation technique used to determine fair value:

- Inputs included in Level 1 of Fair Value Hierarchy are based on prices quoted in stock exchange and/or NAV declared by the Funds.
- Inputs included in Level 2 of Fair Value Hierarchy have been valued based on inputs from banks and other recognised institutions such as FIMMDA/FEDAI.
- Inputs included in Level 3 of Fair Value Hierarchy have been valued using acceptable valuation techniques such as Net Asset Value and/or Discounted Cash Flow Method.

Note: All financial instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy described as above, based on the lowest level input that is significant to the fair value measurement as a whole.

### 25 Financial instruments risk management objectives and policies

The Company's financial liabilities comprise mainly of borrowings, trade and other payables. The Company's financial assets comprise mainly of cash and cash equivalents and other receivables.

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk primarily trade receivables and other financial assets including deposits with banks. The Company's exposure and credit ratings of its counterparties are continuously monitored and the aggregate value of transactions is reasonably spread amongst the counterparties.

#### A. Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments.





# Varanasi Sangam Expressway Private Limited

Notes to the financial statements (continued)

for the year ended 31 March 2022

## B. Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The company is exposed to credit risk primarily trade receivables and other financial assets including deposits with banks. The company's exposure and credit ratings of its counterparties are continuously monitored and the aggregate value of transactions is reasonably spread amongst the counterparties.

The carrying amount of following financial assets represents the maximum credit exposure:

### Other financial assets

This comprises mainly of construction asset receivable - Right for Annuity receivable from NHAI, deposits with banks. Credit risk arising from these construction assets is limited and there is no collateral held against these because the counterparties are NHAI.

## C. Currency risk

The functional currency of the Company is Indian Rupees ("Rs."). The Company is not exposed to foreign currency risk.

## D. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk resulting from fluctuations in interest rates. Company's borrowing includes unsecured loan taken from banks & the Parent Company. Summary of financial assets and financial liabilities has been provided below:

### Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted.

	₹ in Lakhs	
	31 March 2022	31 March 2021
<b>Fixed-rate instruments</b>		
Financial assets	8,907.42	2,112.97
Financial liabilities	-	-
<b>Variable-rate instruments</b>		
Financial assets	1,17,496.16	1,24,851.31
Financial liabilities	1,20,868.53	1,21,596.80

### Interest rate sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of change in interest rates. The following table demonstrates the sensitivity of floating rate financial instruments to a reasonably possible change in interest rates. The risk estimates provided assume a parallel shift of 100 basis points interest rate across all yield curves. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The year end balances are not necessarily representative of the average debt outstanding during the period.

### Sensitivity analysis

	₹ in Lakhs	
	Impact on profit before tax	
	31 March 2022	31 March 2021
Interest rate		
- increase by 100 basis points	(33.72)	32.55
- decrease by 100 basis points	33.72	(32.55)

## E. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The Company invest in liquid mutual funds to meet the immediate obligations.

### Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted.

	₹ in Lakhs				
as at 31 March 2022	Carrying amount	Total	Less than 1 year	1-5 years	More than 5 years
Borrowings (incl. current maturities)	1,20,868.53	1,20,868.53	7,684.76	28,582.95	84,600.82
Trade payables	360.76	360.76	360.76	-	-
Other current financial liabilities	0.50	0.50	0.50	-	-
<b>Total</b>	<b>1,21,229.79</b>	<b>1,21,229.79</b>	<b>8,046.02</b>	<b>28,582.95</b>	<b>84,600.82</b>
as at 31 March 2021	Carrying amount	Total	Less than 1 year	1-5 years	More than 5 years
Borrowings (incl. current maturities)	1,21,596.80	1,21,596.80	5,519.73	24,190.92	91,886.15
Trade payables	3,860.15	3,860.15	3,860.15	-	-
Other current financial liabilities	0.40	0.40	0.40	-	-
<b>Total</b>	<b>1,25,457.35</b>	<b>1,25,457.35</b>	<b>9,380.28</b>	<b>24,190.92</b>	<b>91,886.15</b>



# Varanasi Sangam Expressway Private Limited

Notes to the financial statements (continued)

for the year ended 31 March 2022

## 26 Capital management

For the purpose of the Company's capital management, capital includes paid-up equity capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to ensure that it maintains a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital, to equity share holders.

The Company manages its capital structure and makes adjustments to it in the light of changes in economic conditions and the requirements of the financial covenants. Breaches in meeting the financial covenants would permit the lenders to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest bearing loans and borrowing during the year. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using Debt-Equity ratio, which is net debt divided by total equity. The Company's policy is to keep the net debt to equity ratio below 3. The Company includes within net debt, interest bearing loans and borrowings, less cash and short-term deposits.

Particulars	₹ in Lakhs	
	31 March 2022	31 March 2021
Total borrowings	1,20,868.53	1,21,596.80
Less: cash and cash equivalents	9,131.22	1,302.30
<b>Adjusted net debt</b>	<b>1,11,737.31</b>	<b>1,20,294.50</b>
Equity share capital	3,889.00	3,889.00
Other equity	11,376.30	9,628.51
<b>Total equity</b>	<b>15,265.30</b>	<b>13,517.51</b>
 <b>Adjusted net debt to equity ratio</b>	 <b>7.32</b>	 <b>8.90</b>

No changes were made in the objectives, policies or processes for managing capital during the year ended 31 March 2022 and 31 March 2021.

## 27 Ratio

	31 March 2022	31 March 2021
<b>Current Ratio (in times)</b>	2.58	1.63
1 (Current assets/ Current liabilities)		
<b>Debt Equity Ratio (in times)</b>	4.29	2.19
( Total Debt / Total Equity )		
2 (Total Debt = Debt comprises of current borrowings( including current maturities of long term borrowings), non current borrowings and interest accrued on borrowings and excludes the unsecured borrowing taken and outstanding from the holding company (G R Infraprojects Limited).		
Total Equity (net worth) = Equity share capital+Other equity + unsecured borrowing taken from the holding company)		
<b>Debt Service Coverage Ratio (in times)</b>	0.95	2.02
3 ( (Earning before interest and tax and depreciation)/(principal repayment of non-current borrowings (excluding repayment of unsecured borrowing taken from the holding company) made during the period and finance costs) )		
<b>Return on equity ratio (%)</b>	6.79%	14.90%
4 (Profit for the period or year / Net worth)		
<b>Inventory turnover ratio ( in times)</b>	NA	NA
5 ( Revenue from operation ( annualised) / Average Inventory)		
<b>Trade receivables turnover ratio (in times)</b>	0.12	0.35
6 ( Revenue from operation ( annualised) / Average account receivable)		
(Average account receivable = Average trade receivables + average unbilled revenue)		
<b>Trade payables turnover ratio (in times)</b>	0.31	6.23
7 ( Purchases made during the year ( annualised) / Average account payable)		
<b>Net capital turnover ratio (in times)</b>	1.02	6.47
8 ( Revenue from operation ( annualised) / working capital)		
(Working capital = Current assets - Current liabilities)		
<b>Net profit ratio (%)</b>	12.95%	16.20%
9 (Profit/(loss) for the period/Total Income)		
<b>Return on capital employed (%)</b>	9.08%	14.39%
10 (Profit before interest and taxes for the period or year / Capital employed)		
(Capital employed = Total assets - Current liabilities)		
<b>Return on Investment (%)</b>	1.24%	4.41%
11 (Profit for the year/ Total assets)		





# Varanasi Sangam Expressway Private Limited

Notes to the financial statements (continued)

for the year ended 31 March 2022

## 28 Disclosure pursuant to Para 6 of Ind AS 115 for Service Concession Arrangements

₹ in Lakhs

Name of entity	Description of the arrangement	Significant terms of the arrangement	Annuity receivable from concession grantor (including Contract assets receivables)
Varanasi Sangam Expressway Private Limited	The Company is formed as a special purpose vehicle (SPV) to design, build, operate and transfer basis, ("DBOT Annuity" or "Hybrid Annuity") the project relating to Six Laning of Handia Varanasi Section of NH -2 from km 713.146 to km 785.544 (Approx.72.398 km) in the State of Uttar Pradesh under NHDP Phase -V, which shall be partly financed by the Concessionaire who shall recover its investment and costs through payment made by the authority, in accordance with the terms and condition set in concession agreement entered into.	Period of concession: 2017-2035 Remuneration : 40% during construction period and balance 60% in half yearly annuity in 15 years as per concession agreement Investment grant from concession grantor : No Infrastructure return at the end of concession period : Yes Investment and renewal obligations : Nil Re-pricing dates : No Basis upon which re-pricing or re-negotiation is determined : NA Premium payable to grantor : Nil PCOD Date : 02-11-2020	31 March 2022
			1,17,424.78
			31 March 2021
			1,24,779.93



# Varanasi Sangam Expressway Private Limited

Notes to the financial statements (continued)

for the year ended 31 March 2022

## 29 Disclosures pursuant to Indian Accounting standard (Ind AS) 115, Revenue from Contracts with Customers

### A. Disaggregated revenue information

#### i) Type of service rendered

Sale of services

Total

#### ii) Revenue from contracts with customers disaggregated based on geography

India

Outside India

Total

#### iii) Timing of Revenue recognition

Revenue from Goods and Services transferred to customers at a point in time

Revenue from Goods and Services transferred to customers over time

Total

₹ in Lakhs	
Year ended 31 March 2022	Year ended 31 March 2021
13,170.20	38,791.25
13,170.20	38,791.25
13,170.20	38,791.25
13,170.20	38,791.25
13,170.20	38,791.25
13,170.20	38,791.25
13,170.20	38,791.25

### B. Contract balances:

The following table provides information about receivables, contract assets and contract liabilities from the contracts with customers.

#### Trade receivables

Opening balance

Closing balance

The increase / decrease in trade receivables is mainly due to increase / decrease in sales.

#### Annuity receivable from concession grantor (including Contract assets receivables)

Opening balance

Closing balance

Contract assets/ financial assets (annuity receivable from concession grantor) are recognised as per Appendix D to Ind AS 115, when the Company has an unconditional right to receive cash or another financial asset from or at the direction of the grantor for the construction services.

#### Contract liabilities

Opening balance

Closing balance

Contract liabilities include advance from customers and transaction price allocated to unexpired service obligations.

₹ in Lakhs	
Year ended 31 March 2022	Year ended 31 March 2021
610.70	386.83
282.49	610.70

### C. The amount of revenue recognized from

- Performance obligations satisfied in previous years

- Amounts included in contract liabilities at the beginning of the year

₹ in Lakhs	
Year ended 31 March 2022	Year ended 31 March 2021
-	-
-	-

### D. Performance obligation

#### i) Sales of Services:

The performance obligation is satisfied over time as the assets is under control of customer and they simultaneously receives and consumes the benefits provided by the Company. The Company received progressive payment toward provision of services.

### E. Reconciliation of the amount for revenue recognised in the Consolidated Statement of Profit and Loss with the contracted price:

Revenue as per contracted price

#### Adjustments

Claims

Variable consideration - Performance bonus

Revenue from contract with customers

₹ in Lakhs	
Year ended 31 March 2022	Year ended 31 March 2021
11,627.21	38,791.25
-	-
1,542.99	-
13,170.20	38,791.25





## 30 Earnings per share

		₹ in Lakhs	
Particulars	Ref Note No.	31 March 2022	31 March 2021
Face value per equity share (in Rs.)		10.00	10.00
(a) Profit for the year attributable to equity shareholders		1,747.79	6,301.57
(b) Number of equity shares at the beginning of the year		3,88,90,000	3,88,90,000
(c) Equity shares issued during the year		-	-
(d) Number of equity shares at the end of the year		3,88,90,000	3,88,90,000
(e) Weighted average number of equity shares for calculating basic EPS		3,88,90,000	3,88,90,000
(f) Weighted average number of equity shares for calculating diluted EPS		3,88,90,000	3,88,90,000
Earnings Per Share (in Rs.):			
- Basic earning per share (a/e)		4.49	16.20
- Diluted earning per share (a/f)		4.49	16.20

## Note:

Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the year adjusted by the number of equity shares issued during the year multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the year.

## 31 Segment reporting

## Basis for segmentation

In accordance with the requirements of Ind AS 108 - "Segment Reporting", the Company is primarily engaged in a business of civil construction and has no other primary reportable segments. The Managing Director of the Company allocate the resources and assess the performance of the Company, thus he is the Chief Operating Decision Maker (CODM). The CODM monitors the operating results of the business as a single segment, hence no separate segment needs to be disclosed.

## Information about geographical areas

As the Company operates in India only, hence no separate geographical segment is disclosed.

## Information about major customers

Revenue of Rs 13170.2 lakhs are derived from single customer (NHAI) which amounts to 10% or more of the Company's revenue.

## 32 Contingent liabilities and commitments

## A Contingent liabilities (to the extent not provided for)

## (a) Claims against the Company not acknowledged as debts

- (i) Indirect tax matters
- (ii) Direct tax matters
- (iii) Civil matters

## (b) Guarantees excluding financial guarantees:

Guarantees given to third parties

## Total

## B Commitments

## (a) Other Commitments

- 33 The Company has assessed the possible impact of COVID-19 pandemic on its business operations, liquidity position and recoverability of its asset balances as at March 31, 2022 based on the internal and external sources of information upto the date of approval of these audited standalone financial statement. Also, the management does not see any risks in the Company's ability to continue as a going concern and meeting its liabilities as and when they fall due. The Company has adequate funds and/or unutilized fund-based credit facilities available, to take care of any urgent requirement of funds. Accordingly, the Company believes that there is no material impact of Covid 19 on these audited standalone financial statement. The final impact of COVID-19 may be different from that estimated as at the date of approval of these audited standalone financial statement and hence management will continue to monitor any material changes to the future economic conditions.

- 34 Previous year figures have been regrouped / reclassified wherever consider necessary.

As per our report of even date

For JLN US AND COMPANY  
Chartered Accountants  
Firm's Reg No. 101543W

CA Mahesh Menaria  
Partner  
Membership No: 400828  
Place: Udaipur  
Date : 19 May 2022



*Ajendra Chohan*  
Ajendra Kumar Agarwal  
Chief Executive Officer

Place: Gurugram  
Date : 19 May 2022

For and on behalf of the Board of Directors

*Vikas Agarwal*  
Vikas Agarwal  
Director

DIN : 03113689  
Place: Gurugram  
Date : 19 May 2022

*Varun Bhasin*  
Varun Bhasin  
Director

DIN : 03262761  
Place: Gurugram  
Date : 19 May 2022

*Chirag Gandhi*  
Chirag Gandhi  
Company Secretary  
ICSI Memb. No.: A55452  
Place: Gurugram  
Date : 19 May 2022

*Namita Somani*  
Namita Somani  
Chief Financial Officer  
Place: Udaipur  
Date : 19 May 2022

