



S K Patodia & Associates

CHARTERED ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Members of **MANCHERIAL REPALLEWADA ROAD PRIVATE LIMITED**

Report on the Audit of Indian Accounting Standards (Ind AS) Financial Statements

Opinion

We have audited the Ind AS financial statements of **MANCHERIAL REPALLEWADA ROAD PRIVATE LIMITED ("the Company")**, which comprise the Balance Sheet as at March 31, 2020, and the Statement of Profit and Loss, Statement of Change in Equity and Statement of Cash Flows for the year then ended, and notes to the Ind AS financial statements, including a summary of significant accounting policies and other explanatory information. (hereinafter referred to as 'the Ind AS financial statements').

In our opinion and to the best of our information and according to the explanations given to us, the afore said Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We have conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Ind AS Financial Statements" section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Ind AS financial statements under the provisions of the Companies Act, 2013 and the Rules made 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 Auditors' Report Thereon

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and our auditors' report thereon.

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

In connection with our audit of the Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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Responsibility of Management for the Ind AS Financial Statements

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

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

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

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

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

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

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



INDEPENDENT AUDITORS' REPORT

To the Members of MANCHERIAL REPALLEWADA ROAD PRIVATE LIMITED

Report on the Ind AS Financial Statements

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- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b) In our opinion, 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 Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act;



INDEPENDENT AUDITORS' REPORT

To the Members of MANCHERIAL REPALLEWADA ROAD PRIVATE LIMITED

Report on the Ind AS Financial Statements

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- 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 A";
- 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:
- The Company does not have any pending litigations which would impact its financial position.
 - The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at March 31, 2020.
 - There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For S K Patodia & Associates

Chartered Accountants

Firm Registration Number: 112723W

K.D. Madhani

Kalpesh Madhani

Partner

Membership No.: 177318

UDIN: 20177318AAAABX5009



Place: Ahmeddabad

Date: 25th April, 2020

Annexure A to the Independent Auditor's Report

Referred to in paragraph 2(f) under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date to the members of MANCHERIAL REPALLEWADA ROAD PRIVATE LIMITED
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Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls over financial reporting of **MANCHERIAL REPALLEWADA ROAD PRIVATE LIMITED ("the Company")** as of March 31, 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on 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 which were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective 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.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and both issued by the Institute of Chartered Accountants of India (ICAI). Those Standards and the Guidance Note require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these financial statements was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial control system over financial reporting with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these financial statements, assessing the risk that a material weakness exist, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risk of material misstatement of the financial statement, whether due to fraud or error.
5. 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 over financial reporting with reference to these financial statements.

Meaning of Internal Financial Controls over Financial Reporting With Reference to these Financial Statements

6. A company's internal financial controls over financial reporting with reference to these financial statements is a process designed to provide reasonable assurance regarding the



Annexure A to the Independent Auditor's Report

Referred to in paragraph 2(f) under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date to the members of MANCHERIAL REPALLEWADA ROAD PRIVATE LIMITED
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reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the Generally Accepted Accounting Principles. A company's internal financial controls over financial reporting with reference to these financial statements includes those policies and procedures that :

- i. pertain to the maintenance of records that, in reasonable details, accurately and fairly reflect the transaction and dispositions of the assets of the company;
- ii. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with the generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- iii. provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or dispositions of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting With Reference to these Financial Statements

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

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting with reference to these financial statements and such internal financial controls over financial reporting with reference to these financial statements were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For S K Patodia & Associates

Chartered Accountants

Firm Registration Number: 112723W

Kalpesh Madhani

Partner

Membership No.: 177318

UDIN: 20177318AAAAABX5009



Place: Ahmedabad

Date: 25th April, 2020

Annexure B to the Independent Auditors' Report

Referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date to the members of MANCHERIAL

REPALLEWADA ROAD PRIVATE LIMITED

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- i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of property, plant and equipment.

(b) All the property, plant & equipment are physically verified by the Management according to phased programme designed to cover all the items over the year which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies have been noticed on such verification.

(c) As per the records examined by us, the Company does not have any immovable property. Accordingly, the provisions of Clause 3(i)(c) of the Order are not applicable to the Company.
- ii. The Company does not hold any inventory. Therefore, the provisions of Clause 3(ii) of the said Order are not applicable to the Company.
- iii. The Company has not granted any unsecured loan, to the companies covered in the register maintained under Section 189 of the Companies Act, 2013. The company also has not granted any secured or unsecured loans to firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Companies Act.
- iv. In our opinion and according to the information and explanation given to us, the Company has not given any loan, guarantee or security in respect of loans or made investments, as per the provisions of section 185 and 186 of the Companies Act, 2013.
- v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.
- vi. The maintenance of cost records has been specified by the Central Government of India under sub-section (1) of section 148 of the Companies Act. We have broadly reviewed the books of account maintained by the company pursuant to the rules made by the Central Government for the maintenance of cost records under sub-section (1) of section 148 the Act and are of the opinion that prima facie, the specified accounts and 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 the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues, including provident fund, employees' state insurance, income tax, sales tax, service tax, goods & service tax, duty of customs, duty of excise, value added tax, and other material statutory dues, as applicable, with the appropriate authorities.

(b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of income tax, sales tax, service tax, goods & service tax, duty of customs, duty of excise or value added tax or cess which have not been deposited on account of any dispute.
- viii. According to the records of the Company examined by us and the information and explanation given to us, the Company has not taken any loans or borrowings from financial institutions or banks or government during the period. Further, the



Annexure B to the Independent Auditors' Report

Referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date to the members of MANCHERIAL REPALLEWADA ROAD PRIVATE LIMITED

Page 8 of 8

Company has not issued any debentures during the period. Accordingly, provisions of Clause 3 (viii) of the Order are not applicable to the company.

- ix. According to the information and explanations given to us and the records of the Company examined by us, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) or term loans during the period. Accordingly, provisions of Clause 3 (ix) of the Order are not applicable to the company.
- x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the period, nor have we been informed of any such case by the Management.
- xi. In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the provisions of Section 197 read with Schedule V to the Act.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it; the provisions of Clause 3(xii) of the Order are not applicable to the Company.
- xiii. In our opinion and as per information and explanations provided to us by management all the transactions with the related parties are in compliance with the provisions of sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the financial statements as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified under Section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014.
- xiv. The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the period under review. Accordingly the provisions of clause 3(xiv) of the order are not applicable to the Company.
- xv. According to the records of the Company examined by us and the information and explanation given to us, the company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.
- xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For S K Patodia & Associates

Chartered Accountants

Firm Registration Number: 112723W

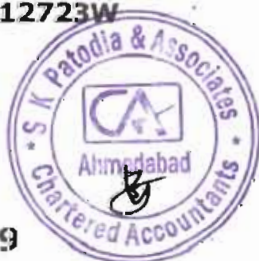
K. D. Madhani

Kalpesh Madhani

Partner

Membership No.: 177318

UDIN: 20177318AAAABX5009



Place: Ahmedabad

Date: 25th April, 2020

MANCHERIAL REPALLEWADA ROAD PRIVATE LIMITED
Balance Sheet as at 31st March, 2020
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Particulars	Notes	As at 31st March, 2020 (Amount in ₹)
ASSETS		
Non-current Assets		
(a) Property, Plant and Equipment	4	23,33,424
(b) Deferred Tax Assets	5	49,49,341
(c) Financial Assets		
(d) Income Tax Assets (net)	6	100
(e) Other Non-Current Assets	7	6,87,50,000
Total Non-current Assets		7,60,32,865
Current Assets		
(a) Financial Assets		
(i) Cash and Cash Equivalents	8	3,01,235
(ii) Other Financial Assets	9	8,05,000
(b) Other Current Assets	10	1,40,55,285
Total Current Assets		1,51,61,520
Total Assets		9,11,94,385
EQUITY AND LIABILITIES		
Equity		
(a) Equity Share Capital	11	1,00,000
(b) Other Equity	12	(1,47,15,871)
Total Equity		(1,46,15,871)
Liabilities		
Non-current Liabilities		
(a) Provisions	13	2,40,605
Total Non-current Liabilities		2,40,605
Current Liabilities		
(a) Financial Liabilities		
(i) Borrowings	14	10,28,54,458
(ii) Trade Payables	15	-
-Total outstanding dues of micro enterprises and small enterprises		-
-Total outstanding dues of creditors other than micro enterprises and small enterprises		22,70,282
(iii) Other Financial Liabilities	16	5,664
(b) Other Current Liabilities	17	3,92,248
(c) Provisions	18	46,999
Total Current Liabilities		10,55,69,651
Total Liabilities		10,58,10,256
Total Equity and Liabilities		9,11,94,385

The notes referred above are an integral part of these financial statements.
In terms of our report attached

For S K Patodia & Associates
Chartered Accountants
Firm Registration Number : 112723W

For and on behalf of the board of directors of
Mancherial Repallewada Road Private Limited

Kalpesh Madhani
Partner
Membership No. 177318



Vipin Goel
Director
DIN 08116197



Dilip Porwal
Director
DIN 07557989

Place : Ahmedabad
Date : 25th April, 2020

Place : Ahmedabad
Date : 25th April, 2020

MANCHERIAL REPALLEWADA ROAD PRIVATE LIMITED
Statement of Profit and Loss for the year ended 31st March, 2020

adani

Particulars	Notes	For the Period from 5th April, 2019 to 31st March, 2020 (Amount in ₹)
Income		-
Total Income		-
Expenses		
Employee Benefits Expenses	19	72,00,799
Finance Costs	20	57,56,974
Depreciation and Amortisation Expenses	4	2,59,117
Other Expenses	21	64,48,322
Total Expenses		1,96,65,212
Loss before tax		(1,96,65,212)
Tax Expenses:		
Current Tax	22	-
Deferred Tax	22	(49,49,341)
		(49,49,341)
Loss for the period	Total A	(1,47,15,871)
Other Comprehensive Income		
Items that will not be reclassified to profit or loss		-
(a) Remeasurement of defined benefit plans		-
(b) Deferred Tax relating to above item		-
Other Comprehensive Income (After Tax)	Total B	-
Total comprehensive Profit for the period	Total (A+B)	(1,47,15,871)
Earnings Per Equity Share (EPS) (Face Value ₹ 10 Per Share)		
Basic and Diluted EPS (₹)	27	(1,471.59)

The notes referred above are an integral part of these financial statements.
 In terms of our report attached

For S K Patodia & Associates
 Chartered Accountants
 Firm Registration Number : 112723W

For and on behalf of the board of directors of
 Mancherial Repallewada Road Private Limited

Kalpesh Madhani
 Partner
 Membership No. 177318



Place : Ahmedabad
 Date : 25th April, 2020

Vipin Goel
 Director
 DIN 08116197



Place : Ahmedabad
 Date : 25th April, 2020

Dilip Porwal
 Director
 DIN 07557989

MANCHERIAL REPALLEWADA ROAD PRIVATE LIMITED
Statement of changes in equity for the year ended 31st March, 2020

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A. Equity Share Capital

Particulars	No. Shares	(Amount in ₹)
Balance as at 5th April, 2019	-	-
Issue of Equity share capital during the period :	10,000	1,00,000
Balance as at 31st March, 2020	10,000	1,00,000

B. Other Equity

(Amount in ₹)

Particulars	Reserves and Surplus	Total
	Retained Earnings	
Balance as at 5th April, 2019	-	-
Profit for the period	(1,47,15,871)	(1,47,15,871)
Other comprehensive income for the period	-	-
Total Comprehensive Profit for the period	(1,47,15,871)	(1,47,15,871)
Balance as at 31st March, 2020	(1,47,15,871)	(1,47,15,871)

The notes referred above are an integral part of these financial statements.
In terms of our report attached

For S K Patodia & Associates
Chartered Accountants
Firm Registration Number : 112723W

For and on behalf of the board of directors of
Mancherial Repallewada Road Private Limited

Kalpesh Madhani
Partner
Membership No. 177318



Vipin Goel
Director
DIN 08116197



Dilip Porwal
Director
DIN 07557989

Place : Ahmedabad
Date : 25th April, 2020

Place : Ahmedabad
Date : 25th April, 2020

MANCHERIAL REPALLEWADA ROAD PRIVATE LIMITED
Statement of Cash Flow for the year ended 31st March, 2020

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Particulars	For the Period from 5th April, 2019 to 31st March, 2020 (Amount in ₹)
(A) Cash flow from operating activities	
Profit before tax	(1,96,65,212)
Adjustment for the period	
Depreciation and amortisation expenses	2,59,117
Finance Costs	57,56,974
Operating Profit before working capital changes	(1,36,49,121)
Changes in working capital:	
(Increase) in Other Non-current Financial Assets	(6,87,50,000)
(Increase) in Other Current Financial Assets	(8,05,000)
(Increase) in Other Current Assets	(1,40,55,285)
Increase in Non-current Provisions	2,40,605
Increase in Trade Payables	22,70,282
Increase in Other Financial Liabilities	5,664
Increase in Other Current Liabilities	3,92,248
Increase in Current Provisions	46,999
Total Change in Working Capital	(8,06,54,487)
Cash (used in) operations	(9,43,03,608)
Less : Tax Paid	(100)
Net cash (used in) operating activities (A)	(9,43,03,708)
(B) Cash flow from investing activities	
Capital Expenditure on Fixed assets, Capital Work in Progress and Capital Advance	(25,92,541)
Net cash (used in) investing activities (B)	(25,92,541)
(C) Cash flow from financing activities	
Finance Costs Paid	(57,56,974)
Proceeds of Current Borrowings (Net)	10,28,54,458
Capital	1,00,000
Net cash Generated from financing activities (C)	9,71,97,484
Net increase in cash and cash equivalents (A)+(B)+(C)	3,01,235
Cash and cash equivalents at the beginning of the period	-
Cash and cash equivalents at the end of the period	3,01,235
Notes to Cash flow Statement :	
Reconciliation of Cash and cash equivalents with the Balance Sheet:	
Cash and cash equivalents as per Balance Sheet (Refer Note 8)	3,01,235
	3,01,235



MANCHERIAL REPALLEWADA ROAD PRIVATE LIMITED
Statement of Cash Flow for the year ended 31st March, 2020

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Note:

1. The Cash Flow statement has been prepared under the 'Indirect Method' set out in Ind AS 7 'Cash Flow Statement'.

2. Amendments to Ind AS 7 Statement of Cash Flows: Disclosure Initiative

The amendments require entities to provide disclosure of changes in their liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes (such as foreign exchange gains or losses). The Company has provided the information for current period.

Changes in liabilities arising from financing activities for the period from 5th April, 2019 to 31st March, 2020.

Particulars	(Amount in ₹)
Balance as at 5th April, 2019	-
Cash flow	10,28,54,458
Foreign Exchange Management	-
Other	-
Balance as at 31st March, 2020	10,28,54,458

The notes referred above are an integral part of these financial statements.
In terms of our report attached

For S K Patodia & Associates
Chartered Accountants
Firm Registration Number : 112723W

K. D. Madani
Kalpesh Madani
Partner
Membership No. 177318

Place : Ahmedabad
Date : 25th April, 2020



For and on behalf of the board of directors of
Mancherial Repallewada Road Private Limited

Vipin Goel
Vipin Goel
Director
DIN 08116197

Place : Ahmedabad
Date : 25th April, 2020



Atul Porwal
Atul Porwal
Director
DIN 07557989

1 Corporate information

Mancherial Repallewada Road Private Limited (the Company) is domiciled in India and incorporated on 5th April, 2019 under the provisions of the Companies Act, 2013 as a subsidiary of Adani Road Transport Limited.

The Company has entered into Concession Agreement with the NHAI dated 12th September, 2019 for the purpose of construction of road from Mancherial to Repallewada Four Lining of NH-363. As per from Mancherial (Design km 0.00/Existing Km.251.900) to Repallewada (Design Km.42.00/Existing Km.288.510) (Design Length=41.00 KM) in the state of Telangana. Concession Agreement, NHAI grants to the company exclusive right, license and authority to construct, operate and maintain the project during the construction period of 730 days and operation period of 15 years commencing from COD.

The financial statements were authorised for issue in accordance with a resolution of the directors on 25th April, 2020.

2 Significant accounting policies

2.1 Basis of preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other relevant provisions of the Act.

The Financial statements have been prepared and presented under the historical cost convention with the exception of certain assets and liabilities that are required to be carried at fair values by Ind AS. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between the market participants at the measurement date.

The Financial Statements are presented in INR.

2.2 Summary of significant accounting policies:

a Property, plant and equipment

i. Recognition and measurement

All the items of property, plant and equipment are stated at historical cost net off Cenvat credit less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

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. 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.

ii. Subsequent measurement

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

iii. Depreciation

Depreciation is recognised based on the cost of assets less their residual values over their useful lives, using the straight-line method. The useful life of property, plant and equipment is considered based on life prescribed in schedule II to the Companies Act, 2013 except otherwise stated.

iv. Derecognition

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

b Financial Instruments

Financial assets and financial liabilities are recognised when an entity becomes a party to the contractual provisions of the instruments.

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



c Financial assets

Initial recognition and measurement

All financial assets, except investment in subsidiaries and associates are recognised initially at fair value.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified:

i) At amortised cost

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and which are not classified as financial assets at fair value through profit or loss or financial assets available-for-sale. Subsequently, these are measured at amortised cost using the effective interest method less any impairment losses. These include trade receivables, finance receivables, balances with banks, short-term deposits with banks, other financial assets and investments with fixed or determinable payments.

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

A financial asset 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 any assets that are classified as Fair value through other comprehensive income (FVOCI)

iii) At fair value through profit or loss (FVTPL)

Financial assets which are not measured at amortised cost are measured at FVTPL.

Fair value changes related to such financial assets including derivative contracts like forward currency contracts, cross currency swaps, options, interest rate futures and interest rate swaps to hedge its foreign currency risks and interest rate risks, are recognised in the statement of profit and loss.

Derecognition of Financial Assets

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

Impairment of Financial Assets

A financial asset is assessed at each reporting date to determine whether there is an objective evidence which indicates that it is impaired. A financial asset is considered to be impaired if an objective evidence indicates that one or more events have a negative effect on the estimated future cash flows of that asset.

The Company applies expected credit loss (ECL) model for measurement of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortised cost e.g. loans, debt securities, deposits, trade receivables and bank balances

b) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk. If credit risk has not increased significantly, 12 month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used.

ECL is the difference between all contracted cash flows that are due to the Company in accordance with the contract and all the cashflows that the Company expects to receive, discounted at the original EIR. ECL impairment loss allowance (or reversal) recognised during the period is recognised as expense / (income) in the statement of profit and loss.

d Service Concession Arrangements

Service Concession Arrangements (SCA) refers to the arrangement between the grantor (a public sector entity) and the operator (a private sector entity) to provide services that give the public access to major economic and social facilities utilizing private sector funds and expertise.

With respect to the SCA, revenue and costs are allocable between those relating to the construction services and those relating to operation and maintenance services, and accounted for separately. The infrastructures used in a concession are classified as intangible asset or a financial asset, depending on the nature of the payment entitlements under the SCA. When the company has unconditional right to receive cash or another financial asset from or at the direction of the grantor, such right is recognised as a financial asset and is subsequently measured at amortised cost. When the demand risk is with the company and it has right to charge the user for use of facility, the right is recognised as an intangible asset and is subsequently measured at cost less accumulated amortization and impairment losses. The intangible asset are amortised over a period of SCA.



e Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Financial liabilities

All financial liabilities are measured at amortised cost using the effective interest method or at FVTPL.

Financial liabilities at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Trade and other payables are recognised at the transaction cost, which is its fair value, and subsequently measured at amortised cost.

Financial liabilities at FVTPL

A financial liability may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;
- the financial liability whose performance is evaluated on a fair value basis, in accordance with the Company's documented risk management;

Fair value changes related to such financial liabilities including derivative contracts like forward currency contracts, cross currency swaps, options, interest rate futures and interest rate swaps to hedge its foreign currency risks and interest rate risks, are recognised in the statement of profit and loss.

Derecognition of Financial Liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

f Operating Cycle

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

g Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the financial asset or settle the financial liability takes place either:

- In the principal market, or
- In the absence of a principal market, in the most advantageous market

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

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use.

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

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

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

At each reporting date, the Management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's accounting policies.

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



h Revenue recognition

Effective 1st April, 2018, the Company adopted Ind AS 115 "Revenue from Contracts with Customers" using the cumulative catch-up transition method, applied to contracts that were not completed as of 1st April, 2018. Revenue is recognized based on the nature of activity, transfer of control & consideration can be reasonably measured and there exists reasonable certainty of its recoverability.

Revenue from construction contracts is recognized 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 recognized an 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 releasable value thereafter.

Contract revenue corresponds to the fair value of consideration received/ receivable from the customer to the extent that it is probable that the result in revenue, and they are capable of being reliably measured.

i Other Income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

j Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

k Employee benefits

i) Defined benefit plans:

The employees' gratuity scheme is a defined benefit scheme. The present value of the obligation under such defined benefit plan is determined at each Balance Sheet date based on actuarial valuation which is carried out by an independent actuary using the Projected Unit Credit method considering discount rate based on the prevailing market yields of Indian government bonds at the valuation date for the expected term of the obligation. Actuarial gains and losses are charged to the Capital work in progress till the commencement of commercial production otherwise, the same is charged to the statement of Profit and Loss for the period.

Defined benefit costs in the nature of current and past service cost and net interest expense or income are recognized in the statement of profit and loss in the period in which they occur. Actuarial gains and losses on re-measurement is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur and is reflected immediately in retained earnings and not reclassified to profit or loss. Past service cost is recognised in profit or loss in the period of a plan amendment.

ii) Defined contribution plan:

Retirement Benefits in the form of Provident Fund and Family Pension Fund which are defined contribution schemes are charged to the Capital work in progress till the commencement of commercial production otherwise the same is charged to the Statement of Profit and Loss for the period in which the contributions to the respective funds accrue.

iii) Compensated Absences:

Provision for Compensated Absences and its classifications between current and non-current liabilities are based on independent actuarial valuation. The actuarial valuation is done as per the projected unit credit method.

iv) Short term employee benefits:

They are recognised at an undiscounted amount in Capital work in progress till the commencement of commercial production otherwise same is charged to Statement of Profit and Loss for the year in which the related services are received.

l Leases

Leases are classified as operating leases whenever the terms of the lease do not transfer substantially all the risks and rewards of ownership to the lessee.

Rental income from operating leases is generally recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the Company's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue.

Rental expense from operating leases is generally recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue.



m Taxation

Tax on Income comprises current and deferred tax. It is recognised in statement of profit and loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

Current tax

Tax on income for the current period is determined on the basis on estimated taxable income and tax credits computed in accordance with the provisions of the relevant tax laws and based on the expected outcome of assessments / appeals. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is recognized for the future tax consequences of deductible temporary differences between the carrying values of assets and liabilities and their respective tax bases at the reporting date, using the tax rates and laws that are enacted or substantively enacted as on reporting date. Deferred tax liability are generally recorded for all temporary timing differences. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences can be utilised. Deferred tax relating to items recognized outside the statement of profit and loss is recognized outside the statement of profit and loss, either in other comprehensive income or directly in equity. The carrying amount of deferred tax assets is reviewed at each reporting date.

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

n Earning per Share

Basic earnings per share is computed by dividing the profit / (loss) after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for the effects of dividend, interest and other charges relating to the dilutive potential equity shares by weighted average number of shares plus dilutive potential equity shares.

o Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material). When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liabilities may arise from litigation, taxation and other claims against the Company. Where it is management's assessment that the outcome is uncertain or cannot be reliably quantified, the claims are disclosed as contingent liabilities unless the likelihood of an adverse outcome is remote such contingent liabilities are disclosed in the notes but are not provided for in the financial statements. Although there can be no assurance regarding the final outcome of the legal proceedings, the Company does not expect them to have a materially adverse impact on the Company's financial position.

Contingent liabilities are not recognised but are disclosed in the notes. Contingent assets are not recognised but are disclosed in the notes where an inflow of economic benefits is probable.

p Related party Transactions

Disclosure of transactions with Related Parties, as required by Ind AS 24 "Related Party Disclosures" has been set out in a separate note. Related parties as defined under clause 9 of the Ind AS 24 have been identified on the basis of representations made by the management and information available with the Company.

q Cash Flow Statement

Cash flows are reported using indirect method, whereby profit/ (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the company are segregated based on the available information.



2.3 Standard issued but not effective :

The amendments to standards that are issued and new standards issued but not yet effective, up to the date of issuance of Company's financial statements are disclosed below. The Company intends to adopt these standards, if applicable, when they become effective. The Ministry of Corporate Affairs ("MCA") has issued New IND AS and amendments to IND AS through (Indian Accounting Standards) Amendment Rules, 2019.

1. IND AS 117 - Insurance Contracts
2. IND AS 103 - Business Combination
3. IND AS 1, Presentation of Financial Statements and IND AS 8, Accounting Policies, Change in Accounting Estimates and Errors.
4. IND AS 40 - Investment Property

These amendments are effective for annual periods beginning on or after April 01, 2020.

The Company is in the process of evaluating the impact of the new amendments issued but not yet effective.

2.4 New and amended standards / Changes in accounting policies and disclosures

In addition to Ind AS 116, which is applicable for the first time, several other amendments and interpretations apply for the first time from April 1, 2019, but do not have an impact on the financial statements of the Company.

Ind AS 116 - Leases

Ind AS 116 supersedes Ind AS 17 "Leases" and related interpretations. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model.

Effective April 5, 2019, the Company adopted Ind AS 116 "Leases" and applied to all lease contracts, identified under Ind AS 17, existing on April 5, 2019 using the modified retrospective method on the date of initial application.

Lessor accounting under Ind AS 116 is substantially unchanged under Ind AS 17. Therefore, Ind AS 116 did not have an impact for leases where the Company is the lessor.

(a) Nature of the effect of adoption of Ind AS 116

Pursuant to adoption of Ind AS 116, the Company recognised right-of-use assets and lease liabilities for those leases which were previously classified as operating leases, except for short-term leases and leases of low-value assets.

The Company also applied the available practical expedients wherein it:

- Used a single discount rate to a portfolio of leases with reasonably similar characteristics
- Relied on its assessment of whether leases are onerous immediately before the date of initial application
- Applied the short-term leases exemptions to leases with lease term that ends within 12 months at the date of initial application
- Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application
- Used hindsight in determining the lease term where the contract contains options to extend or terminate the lease

Set out below are the new accounting policies of the Company upon adoption of Ind AS 116, which have been applied from the date of initial application:

• Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets, which comprises the initial amount of the lease liability, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received.

Unless the Company is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight line basis over the lower of its estimated useful life and the lease term. Right-of-use assets are subject to impairment.



• **Lease liabilities**

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating a lease, if the lease term reflects the Company exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognised as expense in the period on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

• **Short-term leases and leases of low-value assets**

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies recognition exemption to leases for which the underlying asset is of low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

3 Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. Existing circumstances and assumptions about future developments may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

i) Fair value measurement of financial instruments

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using ECL model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

ii) Defined benefit plans (gratuity benefits)

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

iii) Recognition and measurement of other provisions:

The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the balance sheet date. The actual outflow of resources at a future date may therefore vary from the figure included in other provisions.



4. Property Plant and Equipment

(Amount in ₹)

Description of Assets	Tangible Assets			
	Furniture and Fixtures	Computer	Office Equipments	Total
I. Gross Block				
Balance as at 5th April, 2019	-	-	-	-
Additions	5,27,360	18,99,704	1,65,477	25,92,541
Balance as at 31st March, 2020	5,27,360	18,99,704	1,65,477	25,92,541
II. Accumulated depreciation and impairment				
Balance as at 5th April, 2019	-	-	-	-
Depreciation expense	13,948	2,36,862	8,307	2,59,117
Balance as at 31st March, 2020	13,948	2,36,862	8,307	2,59,117

Carrying value of Property, Plant and Equipment and Capital Work-in-Progress :

(Amount in ₹)

Description of Assets	Tangible Assets			
	Furniture and Fixtures	Computer	Office Equipments	Total
As at 5th April, 2019	-	-	-	-
As at 31st March, 2020	5,13,412	16,62,842	1,57,170	23,33,424



5 Deferred Tax Assets		As at 31st March, 2020 (Amount in ₹)		
Deferred Tax Assets				
Provision for Employee benefits			1,26,824	
Others			49,22,542	
Gross Deferred Tax Assets	Total A		50,49,366	
Deferred Tax Liabilities				
Property, Plant and Equipment			1,00,025	
Gross Deferred Tax liabilities	Total B		1,00,025	
Net Deferred Tax Assets	Total (A-B)		49,49,341	
Movement in Deferred Tax Assets (Net) for the period ended 31st March, 2020 :		(Amount in ₹)		
Particulars	Opening Balance	Recognised in Profit and Loss	Recognised in OCI	Closing Balance as on 31st March, 2020
Tax effect of items constituting Deferred Tax Assets :				
Employee Benefits	-	1,26,824	-	1,26,824
Others	-	49,22,542	-	49,22,542
Total A	-	50,49,366	-	50,49,366
Tax effect of items constituting Deferred Tax Liabilities :				
Property, Plant and Equipment	-	1,00,025	-	1,00,025
Total B	-	1,00,025	-	1,00,025
Deferred Tax Assets (Net)	Total (A-B)	-	-	49,49,341
6 Income Tax Assets (Net)		As at 31st March, 2020 (Amount in ₹)		
Advance income tax (Net - Provision of Tax is Nil.)			100	
Total			100	
7 Other Non-current Asset		As at 31st March, 2020 (Amount in ₹)		
Prepaid Expenses			6,87,50,000	
Total			6,87,50,000	
8 Cash and Cash equivalents		As at 31st March, 2020 (Amount in ₹)		
Balances with banks In current accounts			3,01,235	
Total			3,01,235	
9 Other Current Financial Assets (Unsecured Considered Good)		As at 31st March, 2020 (Amount in ₹)		
Security deposits			8,05,000	
Total			8,05,000	
10 Other Current Assets		As at 31st March, 2020 (Amount in ₹)		
Advance for supply of goods and services			1,55,511	
Balances with Government Authorities (GST)			1,38,17,342	
Advance to Employees			35,405	
Prepaid Expenses			47,027	
Total			1,40,55,285	



11 Equity Share Capital

	As at 31st March, 2020 (Amount in ₹)
Authorised Share Capital 10,000 Equity shares of ₹ 10/- each	1,00,000
Total	1,00,000
Issued, Subscribed and fully paid-up equity shares 10,000 Equity shares of ₹ 10/- each fully paid	1,00,000
Total	1,00,000

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Equity Shares

	As at 31st March, 2020
No. Shares	(Amount in ₹)
At the beginning of the period	-
Issued during the period	10,000
Outstanding at the end of the period	10,000

b. Terms/rights attached to equity shares

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

c. Shares held by Parent Company

Out of equity shares issued by the Company, shares held by its parent company together with its nominees are as under:

	As at 31st March, 2020
No. Shares	(Amount in ₹)
Adani Road Transport Limited (Parent Company along with its nominees)	7,400
Prakash Asphaltings & Toll Highways (India) Limited	2,600
Total	10,000

d. Details of shareholders holding more than 5% shares in the Company

	As at 31st March, 2020
No. Shares	% holding in the class
Adani Road Transport Limited (Parent Company along with its nominees)	7,400
Prakash Asphaltings & Toll Highways (India) Limited	2,600
Total	10,000

12 Other Equity

	As at 31st March, 2020 (Amount in ₹)
Retained earnings	
Opening Balance	-
Add : Profit for the period	(1,47,15,871)
Add : Other Comprehensive Income for the period	
Closing Balance	Total
	(1,47,15,871)

Note :

Retained earnings represents the amount that can be distributed by the Company as dividends considering the requirements of the Companies' Act, 2013. No dividends are distributed given the accumulated losses incurred by the Company.



MANCHERIAL REPALLEWADA ROAD PRIVATE LIMITED
Notes to financial statements for the year ended on 31st March, 2020

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13 Non-current Provisions

	As at 31st March, 2020 (Amount in ₹)
Provision for Employee Benefits (Refer Note 30)	2,40,605
Total	2,40,605

14 Current Borrowings

	As at 31st March, 2020 (Amount in ₹)
Unsecured Borrowings - at amortised cost	
Loan from Related Parties (Refer Note 31)	10,28,54,458
Total	10,28,54,458

Note:

Loan from Related Parties are payable within one year from the date of agreement and carry the interest rate of 10.10% p.a.

15 Trade Payables

	As at 31st March, 2020 (Amount in ₹)
Other than Acceptances	
Total outstanding dues of micro enterprises and small enterprises	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	22,70,282
Total	22,70,282

16 Other Current Financial Liabilities

	As at 31st March, 2020 (Amount in ₹)
Retention money payable	5,664
Total	5,664

17 Other Current Liabilities

	As at 31st March, 2020 (Amount in ₹)
Statutory Liabilities (including TDS, GST, PF)	3,92,248
Total	3,92,248

18 Current Provisions

	As at 31st March, 2020 (Amount in ₹)
Provision for Employee Benefits (Refer Note 30)	46,999
Total	46,999



19 Employee Benefits Expenses

Salaries, Wages and Bonus
Contribution to Provident and Other Funds
Staff Welfare Expenses

For the Period from
5th April, 2019 to
31st March, 2020
(Amount in ₹)

	66,79,302
	4,27,021
	94,475
Total	72,00,799

20 Finance costs

(a) Interest Expenses on :

Loans

23,56,814

Total A **23,56,814**

(b) Other borrowing costs :

Bank Charges and other Borrowing cost

34,00,160

Total B **34,00,160**

Total (A+B) **57,56,974**



21 Other Expenses

For the Period from
5th April, 2019 to
31st March, 2020
(Amount in ₹)

Repairs and Maintenance - Others	21,324.00
Rent	8,61,000
Legal and Professional Expenses	33,40,742
Payment to Auditors	
Statutory Audit Fees	40,000
Communication Expenses	17,518
Travelling & Conveyance Expenses	10,27,426
Office Expenses	1,53,515
Contractual Manpower-General & Administration	4,39,513
Electricity Expenses	90,305
Miscellaneous Expenses	4,56,978
Total	64,48,322

22 Income Tax

The major components of income tax expense for the period ended 31st March, 2020 are:

For the Period from
5th April, 2019 to
31st March, 2020
(Amount in ₹)

Current Tax:

Current Income Tax Charge

Total (a)

Deferred Tax

In respect of current year origination and reversal of temporary differences

Total (b)

Total (a+b)

For the Period from
5th April, 2019 to
31st March, 2020
(Amount in ₹)

Accounting profit / (loss) before tax	(1,96,65,212)
Income tax using the company's domestic tax rate	-
Tax Rate for Corporate Entity as per Income Tax Act, 1961	25.17%
Income tax recognised in profit and loss account at effective rate	-
Total Tax Expense for the period	-
Net DTL / (DTA) recognised during the period	(49,49,341)



23 Financial Risk objective and policies:

The Company's principal financial liabilities comprise borrowings, provisions, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations / projects. The Company's principal financial assets include mainly cash and cash equivalents, SCA receivables and other financial assets.

In the ordinary course of business, the Company is exposed to Market risk, Interest risk, Credit risk and Liquidity risk.

Market Risk :

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of interest rate risk.

Interest Risk :

The Company has fixed interest rate financial assets and financial liabilities, hence it doesn't have any interest rate risk.

Credit Risk :

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss.

Liquidity Risk :

The Company monitors its risk of shortage of funds using cash flow forecasting models. These models consider the maturity of its financial investments, committed funding and projected cash flows from operations. The Company's objective is to provide financial resources to meet its business objectives in a timely, cost effective and reliable manner and to manage its capital structure. A balance between continuity of funding and flexibility is maintained through continued support from parent company.

Maturity profile of financial liabilities:

The table below provides details regarding contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments

As at 31st March, 2020	Less than 1 year	1 to 5 year	More than 5 Years	Total
Borrowings	10,28,54,458	-	-	10,28,54,458
Trade Payables	22,70,282	-	-	22,70,282
Other Financial Liabilities	5,664	-	-	5,664

Capital Management

The Company's objectives for managing capital is to safeguard continuity and healthy capital ratios in order to support its business and provide adequate return to shareholders through continuing growth.

The Company sets the amount of capital required on the basis of annual business and long-term operating plans which include capital and other strategic investments.

The funding requirements are met through support from parent company. The Company's policy is to use short-term and long-term borrowings to meet anticipated funding requirements.

- 24** In the opinion of the management and to the best of their knowledge and belief, the value under the head of Current and Non-Current Assets are approximately of the value stated, if realised in ordinary course of business, except unless stated otherwise. The provision for all the known liabilities is adequate and not in excess of amount considered reasonably necessary.



25 Contingent Liabilities & Commitments

	As at 31st March, 2020 (Amount in ₹)
(i) Contingent liabilities :	
Performance Bank Guarantee given to NHAI	67,84,50,000
Total	67,84,50,000

Note :

The EPC Contractor, Adani Road Transport Limited, has raised various Claims on the Company, which will be taken up at a later stage, subject to the mutual understanding of the Company and its EPC Contractor.

	As at 31st March, 2020 (Amount in ₹)
(ii) Commitments :	
Estimated amount of contract remaining to be executed on capital account and not provided for (Net of advance)	12,24,16,79,301
Total	12,24,16,79,301

26 Contingent Assets

The Company has various claims against NHAI arising out of the Concession Agreement dated 14th June, 2019 & due to Covid-19, At the appropriate stage, the Company will file its claims & will invoke the Dispute Resolution process of the Concession Agreement.

27 Pursuant to the Indian Accounting Standard 33 – Earning per Share, the disclosure is as under:

	UOM	For the Period from 5th April, 2019 to 31st March, 2020
Basic and Diluted EPS		
Profit attributable to equity shareholders	₹	(1,47,15,871)
Weighted average number of equity shares outstanding during the year	No.	10,000
Nominal Value of equity share	₹	10
Basic and Diluted EPS	₹	(1,471.59)

28 Fair Value Measurement :

a) The carrying value of financial instruments by categories as of 31st March, 2020 is as follows :

Particulars	(Amount in ₹) Amortised Cost
Financial Assets	
Cash and Cash Equivalents	3,01,235
Other Non current Financial Assets	8,05,000
Total	11,06,235
Financial Liabilities	
Borrowings	10,28,54,458
Trade Payables	22,70,282
Other Financial Liabilities	5,664
Total	10,51,30,404

Note :

All financial Assets and financial Liabilities valued at amortised cost. Therefore, fair value hierarchy and fair value measurement not disclosed as at 31st March, 2020.



29 Disclosure pursuant to Appendix E of Ind AS 115 Service Concession Arrangements

(i) Description and classification of the arrangements.

The Company has entered into Concession Agreement with the NHAI dated 12th September, 2019 for the purpose of construction of road from Mancherial to Repallewada Four Lining of NH-363, As per from Mancherial (Design km 0.00/Existing Km.251.900) to Repallewada (Design Km.42.00/Existing Km.288.510) (Design Length=41.00 KM) in the state of Telangana. Concession Agreement, NHAI grants to the company exclusive right, license and authority to construct, operate and maintain the project during the construction period of 730 days and operation period of 15 years commencing from COD.

(ii) Significant terms of the Arrangement

(a) Bid Project cost:

The cost of the construction of the project is finalized as ₹ 1356.90 Crores as at the bid date. Bid project cost is inclusive of the cost of construction, interest during construction, working capital, physical contingency and all other costs, expenses and charges for and in respect of the construction of the project.

(b) Payment of Bid project cost:

40% of the Bid project cost, adjusted for the price index multiple, shall be due and payable to the company in 5 equal installment of 8% each during the construction period in accordance with the provisions of clause 23.4 of the Concession Agreement.

The remaining bid project cost, adjusted for the price index multiple, shall be due and payable in 30 biannual instalments commencing from the 180th day of COD in accordance with the provision of the clause 23.6 of Concession Agreement.

Interest shall be due and payable on the reducing balance of completion cost at an interest rate equal to the applicable bank rate plus 3%. Such interest shall be due and payable biannually along with each installment specified in clause 23.6.4 of Concession Agreement.

(c) Bonus on early completion

The Concession Agreement also provides for the payment of Bonus to the company in the event of COD is achieved on or more than 30 days prior to the Scheduled completion date. The schedule completion date of the project is 730 days from the appointed date.

(d) Operation and Maintenance Payments:

All operation and maintenance payments shall be borne by the concessionaire. However, as provided in the Concession Agreement the company shall be entitled to receive lump sum financial support in the form of biannual payments by the NHAI, which shall be computed on the amount quoted in the O&M bid. Each installment of O&M payment shall be the product of the amount determined in accordance with the terms of the Concession Agreement and the price index multiple on the reference index date preceding the due date of the payment thereof.

(e) Termination of the Concession Agreement:

Concession Agreement can be terminated on account of default of the company or NHAI in the circumstances as specified under article 21.4 of the Concession Agreement.

(f) Restriction on assignment and charges:

In terms of the Concession Agreement the company shall not assign, transfer, or dispose of all or any rights and the benefits under Concession Agreement or create any encumbrances thereto except as permitted under concession agreement without prior consent of NHAI.

(g) Changes in Concession Agreement:

There have been no changes in the concession arrangement during the period.

(h) Financial Assets relating to Concession Agreement:

SCA Receivables of ₹ Nil for FY 2019-20.



30 As per Ind AS - 19 "Employee Benefits", the disclosure are given below :

(a) Defined Benefit Plan

The Company operates a defined benefit plan (the Gratuity plan) covering eligible employees, which provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment.

The status of gratuity plan (non-funded) as required under Ind AS-19 :

(Amount in ₹)

Particulars	As at 31st March, 2020
I. Reconciliation of Opening and Closing Balances of Defined Benefit Obligation	
Present Value of Defined Benefit Obligations at the beginning of the period	-
Current Service Cost	98,900
Interest Cost	-
Past vested benefit	-
Acquisition Adjustment	-
Benefit paid	-
Re-measurement (or Actuarial) (gain) / loss arising from:	-
change in demographic assumptions	-
change in financial assumptions	-
experience variance (i.e. Actual experience vs assumptions)	-
Present Value of Defined Benefit Obligations at the end of the period	98,900
II. Reconciliation of the Present value of defined benefit obligation and Fair value of plan assets	
Present Value of Defined Benefit Obligations at the end of the period	98,900
Net Liability recognized in balance sheet as at the end of the period	98,900
III. Gratuity Cost / (Gain) for the period	
Current service cost	98,900
Net Interest cost	-
Actuarial (Gain) or Loss	-
Net Gratuity Cost / (Gain) recognised in the Statement of Profit & Loss	98,900
IV. Other Comprehensive Income	
Actuarial (gains) / losses	-
change in demographic assumptions	-
change in financial assumptions	-
experience variance (i.e. Actual experience vs assumptions)	-
others	-
Components of defined benefit costs recognised in other comprehensive income	-
V. Actuarial Assumptions	As at 31st March, 2020
Discount Rate (per annum)	6.70%
Expected annual Increase in Salary Cost	8.00%
Attrition Rate	8.00%
Mortality Rates are given under Indian Assured Lives Mortality (2012-14) Ultimate Retirement Age 58 Years.	



VI. Sensitivity Analysis

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The results of sensitivity analysis is given below:

Particulars	As at 31st March, 2020	
Defined Benefit Obligation (Base)		98,900
Particulars	As at 31st March, 2020	
	Decrease	Increase
Discount Rate (- / + 1%)	1,10,625	88,675
(% change compared to base due to sensitivity)	11.90%	-10.30%
Salary Growth Rate (- / + 1%)	88,702	1,10,361
(% change compared to base due to sensitivity)	-10.30%	11.60%
Attrition Rate (- / + 50%)	1,19,698	81,548
(% change compared to base due to sensitivity)	21.00%	-17.50%
Mortality Rate (- / + 10%)	98,910	98,890
(% change compared to base due to sensitivity)	0.00%	0.00%

VII. Asset Liability Matching Strategies

The scheme is managed on unfunded basis.

a) Funding arrangements and Funding Policy

The scheme is managed on unfunded basis.

b) Expected Contribution during the next annual reporting period

The Company's best estimate of Contribution during the next year is NIL.

c) Maturity Profile of Defined Benefit Obligation

Weighted average duration (based on discounted cashflows) - 11 years

Expected cash flows over the next (valued on undiscounted basis):

	(Amount in ₹)
1 year	290
2 to 5 years	11,397
6 to 10 years	50,942
More than 10 years	1,59,801

VIII. The discount rate is based on the prevailing market yields of Government of India securities as at the balance sheet date for the estimated term of the obligations.

(b) Other Long Term Employee Benefits

The actuarial liability for compensated absences as at the period ended 31st March, 2020 is ₹ 1,88,704.

(c) Defined Contribution Plan

Contribution to Defined Contribution Plans, recognised in Statement of profit and loss Expenditure, for the period 5th April, 2019 to 31st March, 2020 is as under :

	For the Period from 5th April, 2019 to 31st March, 2020 (Amount in ₹)
Employer's Contribution to Provident Fund	
Employer's Contribution to Superannuation Fund	3,11,534



31 Related party transactions

a) List of related parties and relationship

Description of relationship	Name of Related Parties
Ultimate Controlling Entity	S. B. Adani Family Trust
Immediate Holding	Adani Road Transport Limited
Key Management Personnel	Mr. Vipin Goel, Director (w.e.f. 05/04/2019) Mr. Dilip Porwal, Director (w.e.f. 05/04/2019) Mr. Neera Sharma, Director (w.e.f. 05/04/2019)

Terms and conditions of transactions with related parties

Outstanding balances of related parties at the year-end are unsecured. Transaction entered into with related party are made on term equivalent to those that prevail in arm's length transactions.

Notes:

The names of the related parties and nature of the relationships where control exists are disclosed irrespective of whether or not there have been transactions between the related parties. For others, the names and the nature of relationships is disclosed only when the transactions are entered into by the Company with the related parties during the existence of the related party relationship.

a) Transaction with Related Parties :

Related Party Name	Nature of Transactions	For the Period from 5th April, 2019 to 31st March, 2020
Adani Road Transport Limited	Loan Taken	10,28,54,458
	Loan Repaid	-
	Interest Expense on Loan	23,56,814
	Equity Share Capital Issued	74,000

b) Balances With Related Parties :

Related Party Name	Nature of Closing Balance	As at 31st March, 2020
Adani Road Transport Limited	Borrowings	10,28,54,458

32 Events occurring after the Balance sheet Date

The Company evaluates events and transactions that occur subsequent to the balance sheet date but prior to the financial statements to determine the necessity for recognition and/or reporting of any of these events and transactions in the financial statements. As of 25th April, 2020 there were no subsequent events to be recognized or reported that are not already disclosed.

33 Due to outbreak of COVID 19 globally and in India, the Company's management is in the process of making assessment of likely adverse impact on business and financial risks on account of COVID 19. The management does not see any risks in the Company's ability to continue as a going concern.

34 This, being the first financial statements of the Company since incorporation, are drawn for the period from 5th April, 2019 to 31 March, 2020 and hence, there are no comparatives to present.



MANCHERIAL REPALLEWADA ROAD PRIVATE LIMITED

Notes to financial statements for the year ended on 31st March, 2020

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In terms of our report attached

For S K Patodia & Associates

Chartered Accountants

Firm Registration Number : 112723W

K. D. Mewani

Kalpesh Madiani

Partner

Membership No. 177318



Place : Ahmedabad

Date : 25th April, 2020

For and on behalf of the board of directors of

Mancherial Repallewada Road Private Limited

Vipin

Vipin Goel

Director

DIN 08116197



Place : Ahmedabad

Date : 25th April, 2020

Dilip

Dilip Porwal

Director

DIN 07557989