

JORABAT SHILLONG EXPRESSWAY LIMITED

ANNUAL REPORT

2019-20

Registrar and Share Transfer Agent (RTA):

Link InTime India Pvt Limited

C-101, 247 Park, LBS Marg, Surya Nagar,

Vikhroli (West), Mumbai – 400 083

Phone: +91 22 4918 6000

Email ID: ganesh.jadhav@linkintime.co.in

Debenture Trustee:

IDBI Trusteeship Services Limited

Asian Building, Ground Floor,

17, R Kamani Marg, Ballard Estate,

Mumbai 400 001

Email ID: rmitra@idbitrustee.com

Jorabat Shillong Expressway Limited

Regd. Office : The IL&FS Financial Center, Plot C-22, G Block,
Bandra Kurla Complex, Mumbai- 400051
Tel : 022-26533333 **Fax :** 022-26523979
CIN : U45203MH2010PLC204456

NOTICE OF THE 10th (TENTH) ANNUAL GENERAL MEETING

Notice is hereby given that the 10th (Tenth) Annual General Meeting of the Members of Jorabat Shillong Expressway Limited will be held at shorter notice on Thursday, December 24, 2020 at 11.00 a.m., through Video Conference Mode at the Registered Office of the Company at The IL&FS Financial Centre, Plot C-22, G Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400051 which shall be deemed to be venue of the meeting to transact the following business:

ORDINARY BUSINESS:

- (1) To receive, consider and adopt the Audited Financial Statement containing the Balance Sheet as at March 31, 2020 and Statement of Profit & Loss Account, Cash Flow Statement, notes and schedules forming part of the Financial Statement for the year ended March 31, 2020 on that date together with the Report of the Directors and the Auditors thereon.

“RESOLVED THAT pursuant to section 134 of the Companies Act, 2013 and Rules framed thereunder, the Financial Statement containing the Balance Sheet as at March 31, 2020 and Statement of Profit & Loss, Cash Flow Statement, notes and schedules forming part of the Financial Statement for the Financial Year ended 31st March, 2020 together with the Directors’ Report and Auditors’ Report thereon be and are hereby received, considered and adopted.”

- (2) To appoint a Director in place of Mr. Rajnish Saxena, who retires by rotation and being eligible offers himself for re-appointment:

“RESOLVED THAT Mr. Rajnish Saxena (DIN: 05188337), who retires by rotation, and being eligible, offers himself for re-appointment be and is hereby re-appointed as Director of the Company.”

SPECIAL BUSINESS:

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

“RESOLVED THAT pursuant to the provisions of Sections 152, 161, 164 and other applicable provisions, if any, of the Companies Act, 2013, and the Companies (Appointment and Qualification of Directors) Rules, 2014 made thereunder, including any statutory modification(s) or re-enactment thereof for the time being in force, and subject to the provisions of the Articles of Association of the Company, Mr. Mohit Bhasin (DIN: 03249662) who was appointed as a Additional Non-Executive Director (Nominee) of the Company effective September 02, 2020 upto

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the date of the ensuing Annual General Meeting, be and is hereby appointed as Non-Executive (Nominee) Director of the Company liable to retire by rotation.”

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

“RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modifications(s) or re-enactment(s) thereof, for time being in force), the remuneration payable to M/s. Chivilkar Solanki & Associates, Cost Accountants, Mumbai (Firm Registration No.: 000468) as Cost Auditors to conduct the audit of cost records of the Company for Financial Year 2020-21, as approved by the Board of Directors of the Company, amounting to Rs. 85,000/- (Rupees Eighty Five Thousand) plus tax as applicable and reimbursement of out of pocket expenses incurred in connection with the aforesaid audit, be and is hereby approved.”

For and on behalf of the Board of Directors of
Jorabat Shillong Expressway Limited

SD/-
Vijay Kini
Nominee Director
DIN: 06612768

Date: December 22, 2020
Mumbai

Registered Office:
The IL&FS Financial Centre
Plot No.C-22, G Block, Bandra-Kurla Complex
Bandra (East), Mumbai 400 051

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NOTES:

- (1) In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed. In this regard, the Ministry of Corporate Affairs has allowed companies to conduct Annual General Meeting (AGM) through video conferencing (VC) or other audio visual means (OAVM) and issued Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020, Circular No. 20/2020 dated May 05, 2020 and ROC Mumbai Order dated September 08, 2020 prescribing the procedures and manner of conducting the Annual General Meeting.
- (2) In view of the aforementioned, the 10th AGM of the Members is being held through VC/OAVM. Members are requested to join and participate in the AGM through VC/OAVM only. The detailed procedure for participating in the meeting through VC/OAVM is mentioned in Note No. 8.
- (3) Since, the AGM is being conducted through VC/OAVM, there is no provision for appointment of proxies. Accordingly, the facility for appointment of proxies by the members will not be available.
- (4) Corporate Members intending to authorize their representative to attend and vote at the meeting are requested to ensure that the certified true copy of the Board resolution, power of attorney or such other valid authorizations under Section 113 of the Companies Act, 2013, authorizing them to attend and vote at the meeting is provided by email at itnl.secretarial@ilfsindia.com prior to the commencement of the Meeting. In terms of the provisions of the Companies Act, 2013, the representatives of Corporate Members without proper authorization, such as Board resolution or power of attorney or such other valid authorization, may not be able to attend the meeting.
- (5) An Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013, in respect of the Special Business to be transacted at the Annual General Meeting is annexed hereto.
- (6) All the documents referred to in the accompanying Notice and the Explanatory Statement are open for inspection by the Members and will be made available via electronic mode prior to the date of the AGM. Members may send their request for inspection by sending an email at itnl.secretarial@ilfsindia.com for providing the documents.
- (7) The relevant details as required under Secretarial Standard 2 (SS-2) for person seeking re-appointment as Director is also annexed.
- (8) The details of the process and manner for participating in Annual General Meeting through Video conferencing are explained herein below:

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- a) This Annual General Meeting shall be called through Video Conferencing mode. The Members are requested to participate in the meeting as follows:
- (i) Please connect to the site by clicking on the following link:
<https://us02web.zoom.us/j/89636661741?pwd=YmtuR1VGYm5Ma3ZZZ2ZmcjhVcCtudz09>
- (ii) Join the Meeting by inserting the details as follows:
- (i) Meeting ID: 896 3666 1741
(ii) Password: 250258
- b) Members can participate in AGM through smart phone/laptop, however, for better experience and smooth participation it is advisable to join the Meeting through Laptops connected through broadband.
- c) Further, Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- d) Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

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EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT 2013

Item No.2

The details as prescribed under Secretarial Standard -2 (SS-2) issued by the Institute of Company Secretaries of India are tabled below:-

Sr. No.	Particulars
Name	Mr. Rajnish Saxena
DIN	05188337
Date of Birth	08/05/1967 52 years
Qualification	B.E (Civil)
Terms and Conditions of Appointment	-
Date of first appointment in the Board	19/03/2019
Shareholding in the Company	NIL
Relationship with other Directors, Manager and KMP	None
No. of Board Meetings attended during the year	4
Other Directorships	1. Kiratpur Ner Chowk Expressway Limited 2. Sikar Bikaner Highway Limited 3. ITNL Road Infrastructure Development Company Limited 4. Jorabat Shillong Expressway Limited 5. Jharkhand Accelerated Road Development Company Limited 6. Baleswar Kharagpur Expressway Limited 7. Barwa Adda Expressway Limited
Membership/ Chairmanship of the Committees of Board held in another Company	1. Barwa Adda Expressway Limited (i) Corporate Social Responsibility Committee 2. Kiratpur Ner Chowk Expressway Limited (i) Corporate Social Responsibility Committee

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Item No. 3

Regularisation of the appointment of Mr. Mohit Bhasin (DIN: 03249662) as Nominee (Non-Executive) Director of the Company

The Board of Directors of the Company had appointed Mr. Mohit Bhasin (DIN: 03249662) as a Additional Non –Executive (Nominee) Director representing IL&FS Transportation Networks Limited (ITNL) with effect from September 02, 2020 pursuant to the provisions of Section 152, 161, 164 of the Companies Act, 2013. In terms of the provisions of Section 161 of the Act, Mr. Mohit Bhasin (DIN: 03249662) would hold office up to the date of the ensuing Annual General Meeting.

In terms of Section 160 and any other applicable provisions of the Companies Act, 2013 and read with rules under the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), he is proposed to be appointed as a Non- Executive (Nominee) Director of the Company with effect from the date of this Annual General Meeting.

The Board considers that the continued association of Mr. Mohit Bhasin (DIN: 03249662) would be of immense benefit to the Company and it is desirable to continue to avail his services as a Director. Accordingly, the Board recommends the resolution in relation to appointment of Mr. Mohit Bhasin (DIN: 03249662) as Non- Executive (Nominee) Director, for the approval by the Members of the Company.

Except Mr. Mohit Bhasin (DIN: 03249662) none of the Directors and the Key Managerial Personnel of the Company and their relatives are concerned or interested, in the resolution set out at Item No. 3.

The details as prescribed under Secretarial Standard -2 (SS-2) issued by the Institute of Company Secretaries of India are tabled below:-

Sr. No.	Particulars
Name	Mohit Bhasin
Age/DOB	08/05/1970
Qualification	B.Com., Chartered Accountant
Experience	Relevant Years
Terms and Conditions of Appointment or Re-Appointment	Re-appointed as Nominee (Non-Executive) Director, liable to retire by

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	rotation
Date of First appointment on the Board	02/09/2020
Shareholding in the Company	NIL
Relationship with other Directors, Manager and KMP	NIL
No. of Board meetings attended during the year	-
Directorships	<ol style="list-style-type: none">1. Sikar Bikaner Highway Limited2. Jorabat Shillong Expressway Limited3. MP Border Checkpost Development Company Limited4. Hazaribagh Ranchi Expressway Limited5. ITNL Road Infrastructure Development Company
Membership in Committees	<ol style="list-style-type: none">1. MP Border Checkpost Development Company Limited<ol style="list-style-type: none">(i) Audit Committee(ii) Nomination & Remuneration Committee(iii) Corporate Social Responsibility Committee2. Hazaribagh Ranchi Expressway Limited<ol style="list-style-type: none">(i) Audit Committee(ii) Nomination & Remuneration Committee

Item No. 4

The Board of Directors, had approved the appointment of M/s. Chivilkar Solanki & Associates, Cost Accountants, to conduct the audit of the cost records of the Company for Financial Year (FY) 2020-21.

In terms of the provisions of Section 148 of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to Cost Auditor for FY 2020-21 is required to be approved by the Members of the Company. Accordingly, the

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members are requested to approve the remuneration payable to the Cost Auditor for the financial year ending March 31, 2021, as set out at Item No. 4 of the Notice.

None of the Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise in the said Resolution. The Board of Directors recommends the Ordinary Resolution set out at Item No. 4 of the Notice for approval by the Members.

For and on behalf of the Board of Directors of
Jorabat Shillong Expressway Limited

SD/-
Vijay Kini
Nominee Director
DIN: 06612768

Date: December 22, 2020
Mumbai

Registered Office:
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BOARD'S REPORT

To,
The Shareholders,
Jorabat Shillong Expressway Limited

Your Directors have pleasure in presenting the Tenth Annual Report along with the Audited Statements of Accounts for the year ended March 31, 2020.

FINANCIAL HIGHLIGHTS:

The financial highlights of the Company are as under:

(Amount in Mn)

Particulars	For the Year ended March 31, 2020	For the Year ended March 31, 2019
Total Income	1,113.40	1,182.02
Less: Total Expenditure	225.43	3,353.11
Profit before finance charges, Tax, Depreciation/Amortization (PBITDA)	887.97	(2,171.09)
Less : Finance Charges	0.71	2,502.26
Profit before Depreciation/Amortization (PBTDA)	887.26	(4,673.35)
Less : Depreciation	-	-
Net Profit before Taxation (PBT)	887.26	(4,673.35)
Provision for taxation	-	-
Profit/(Loss) after Taxation (PAT)	887.26	(4,673.35)
Provision for proposed dividend	-	-
Dividend tax	-	-

DIVIDEND:

The Board has not recommend any dividend for the year ended March 31, 2020.

RESERVES:

The Company has not transferred any amount to the Reserves for the financial year ended March 31, 2020.

STATE OF COMPANY'S AFFAIRS:

There were no significant changes in the state of affairs of the Company during the financial year under review that are not otherwise disclosed in this report.

OPERATIONS OF THE COMPANY:

1. During the year under review, your Company continued to operate and maintain the four laning of the Jorabat to Shillong stretch of NH-9 in the state of Assam & Meghalaya comprising of 61.8 km developed on Design, Build, Finance, Operate & Transfer (DBFOT) ("the Project") on annuity basis awarded by the National Highways Authority of India (NHAI/Authority). The project has received final completion certificate for full length of the Project effective August 30, 2019.

In respect of the claims filed by the Company with NHAI, a settlement agreement was signed on 17th January, 2020 with NHAI for settling the claim for an amount of Rs 252.15 Crore towards increase in cost due to delay in handing over the land which was received in February 2020.

During the year under review, the Company received annuity of ₹ 130.08 Crores against Rs 145.02 Crore from NHAI upon certain deductions towards O&M obligations, non-completion of Umsning Bypass and Toll Loss.

The company received 09th annuity payment in the month of July 2020 (i.e Rs 72.51 Cr) full without any deductions. Next annuity due date is 28th Januray 2021.

The major maintenance works are in progress at the selected stretches having an estimated cost of approx. Rs 12 Crore which is expected to be completed by February 2021.

2. The Company is part of the Infrastructure Leasing and Financial Services Limited ("IL&FS") group. The Board of Directors of IL&FS has been reconstituted pursuant to the orders passed by the National Company Law Tribunal, Mumbai Bench ("NCLT") in Company Petition No. 3638 of 2018 filed by the Union of India, acting through the Ministry of Corporate Affairs under Sections 242(1) and 242(2) of the Companies Act, 2013, as amended ("Companies Act") on the grounds of mismanagement of public funds

by the erstwhile Board of IL&FS and the affairs of IL&FS being conducted in a manner prejudicial to the public interest.

3. Additionally, the Hon'ble National Company Law Appellate Tribunal (NCLAT) passed an Order on October 15, 2018 ("the Interim Order") pursuant to which it stayed various proceedings and actions against the Company and its Group Companies imposing moratorium on the creditors of IL&FS (Ultimate Parent Company) and its 348 group companies, which includes the Company. The Interim Order enabled value preservation of the IL&FS Group's assets and provides time to the New Board to evaluate, prepare and implement a resolution plan for its group companies including the Company in an orderly manner, keeping in mind the interest of the various stakeholders.
4. Further, NCLAT vide its order dated February 11, 2019 has also classified the Company under the "Amber Category" based on a 12 month cash flow solvency test indicating that it is not able to meet all obligations (financial and operational) but can only meet the payment obligations to senior secured financial creditors. Accordingly, the Company is permitted to make only those payments necessary to maintain and preserve the going concern status.
5. Since then, the New Board of IL&FS had been working on a resolution plan which inter alia, involved sale of assets/businesses/companies owned by IL&FS Group. The framework and the strategies for effective capital management, thus, will be formulated post the implementation of the Resolution Plan. Presently, the Capital and Financial Management activities are restricted to make only those payments necessary to maintain and preserve the going concern status. NCLAT vide its order dated March 12, 2020 has upheld its Interim Order of October 15, 2018 under which it has specified October 15, 2018 as the date of initiation of the Resolution Process for the IL&FS Group including the Company.
6. Pursuant to the publicly solicited bid process in the domestic roads vertical held by ITNL, the holding Company, your Company's bid was also accepted. Further in accordance with the resolution framework, the process of obtaining various approvals namely, the Committee of Creditors, the approval of the Board of Directors of the Company, IL&FS and Hon'ble Justice D K Jain has been completed and IL&FS Transportation Networks limited, the holding Company has entered into a Share Purchase Agreement ("SPA") with Sekura Roads Limited on December 10, 2020 to sell and transfer the entire equity shareholding held by the Company subject to receipt of approvals from National Company Law Tribunal and National Highways Authority of India.
7. The NCLT vide its order dated January 1, 2019, had allowed a petition filed by the Union of India, for re-opening of the books of accounts and re-casting the financial statements under the provisions of Section 130 of the Companies Act, 2013 for the financial years from 2013-14 to 2017-18, of IL&FS and its subsidiaries including ITNL, the immediate holding company. Accordingly, the NCLT has appointed firms to carry out the re-opening and recasting of financial statements which is under progress. Pending completion of the

exercise the Management is not able to determine any impact on the financial statements of the Company.

8. The Ministry of Corporate Affairs (MCA), Government of India, has vide its letter dated October 1, 2018 initiated investigation by Serious Fraud Investigation Office (SFIO) against IL&FS and its group companies under Section 212 (1) of the Companies Act, 2013. As a part of its investigation, SFIO has been seeking information from the Company on an on-going basis. The Company is fully co-operating with the investigation and providing all the information and documents as and when required. The implications, if any, arising from the aforesaid developments would be known only after the aforesaid matters are concluded and hence are not determinable at this stage.

EXTRACT OF THE ANNUAL RETURN:

In accordance with Section 134(3)(a) of the Companies Act, 2013, the extract of annual return for the financial year ended March 31, 2020 in Form No. MGT-9 is enclosed as Annexure A of this Report.

CORPORATE GOVERNANCE:

(i) Board of Directors and Meetings held:

As on date, the Board of Directors comprise of the following Directors:

1. Mr. Vijay Kini - Nominee Director
2. Mr. Rajnish Saxena - Nominee Director
3. Mr. Mohit Bhasin - Nominee Director

During the year under review, following Directors had resigned as members of the Board on the dates mentioned against their names:

1. Mr. M. B. Bajulge, Nominee Director effective April 05, 2019
2. Mr. Hemant Kumar Labh, Nominee Director effective September 03, 2019

Additionally, Mr. Sachin Joshi who was appointed as Additional Nominee Director effective October 04, 2019 resigned effective July 07, 2020.

In the matter of Infrastructure Leasing and Financial Services Limited (IL&FS) MA 1054/2019 in the Company Petition No. 3638/2018, the Hon'ble National Company Law Tribunal, Mumbai Bench vide its order dated 26.04.2019 has granted the dispensation regarding the appointment of Independent Directors and Women Directors pursuant to Section 149 of the Companies Act, 2013. In view thereof, the Company has not appointed Independent Directors.

During the year under review, the Board of Directors met 6 times, namely on May 28, 2019; June 03, 2019; June 14, 2019; June 25, 2019; October 22, 2019 and February 18, 2020. The details of Meetings and attendance of the Directors are provided below:

Sr. No	Name of Directors	No. of Board Meetings held during tenure	Meetings attended
1.	Mr. Vijay Kini	6	5
2.	Mr. Rajnish Saxena	6	4
3.	Mr. Hemant Kumar Labh	4	1
4.	Mr. Sachin Joshi	2	2

(ii) Directors liable to retire by rotation

Mr. Rajnish Saxena (DIN: 05188337) is liable to retire by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment. Your Directors recommend his re-appointment.

(iii) Audit Committee and Nomination & Remuneration Committee

The Ministry of Corporate Affairs vide notification number G.S.R. 839(E) dated July 5, 2017 has amended Rule 4 (1) of the Companies (Appointment and Qualification of Directors) Rules, 2014 thereby dispensing the requirement for appointment of Independent Director by (a) a joint venture company; (b) wholly owned subsidiary and (c) a dormant company. Since the Company is an unlisted wholly owned subsidiary of IL&FS Transportation Networks Limited, a public listed company, it is eligible for exemption provided under the provisions of Section 177 and 178 of the Companies Act, 2013. In view thereof, the Company is not required to constitute Audit Committee and Nomination & Remuneration Committee.

(iii) Corporate Social Responsibility Committee

Your Company is not required to constitute a Corporate Social Responsibility Committee as it does not fall within the purview of the provisions of Section 135 of the Companies Act, 2013.

(iv) Key Managerial Personnel

During the year under review, Mr. Sunil Kumar Rai was appointed as Manager and Key Managerial Personnel effective October 22, 2019. However, he resigned effective August 31, 2020.

DIRECTORS' RESPONSIBILITY STATEMENT:

As stipulated under clause (c) of sub-section (3) of Section 134 read with sub-section (5) of Section 134 of the Companies Act, 2013, your Directors confirm that:

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the company for that period;
- (c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) they have prepared the annual accounts on a going concern basis;
- (e) they have laid down internal financial control to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- (f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively

DECLARATION BY INDEPENDENT DIRECTOR(S):

There are no independent directors in the Company during the year under review and therefore the same is not provided.

POLICY ON DIRECTOR'S APPOINTMENT AND REMUNERATION:

The Board has adopted a Policy on appointment and remuneration of Directors which includes the criteria for determining qualifications, positive attributes, independence of a director and other matters, as required under Sub-section (3) of Section 178 of the Companies Act, 2013. There has been no change carried out in the Policy adopted by the Board. None of the Directors have been paid any remuneration except to the extent of sitting fees if any paid to them.

STATUTORY AUDITORS:

M/s MKPS & Associates, Chartered Accountants, Statutory Auditors (Firm Registration No. 302014E), were re-appointed as the Auditors of the Company for a period of two years to hold

office from the conclusion of the Annual General Meeting (AGM) held for the FY 2018-19 till the conclusion of the 11th AGM of the Company to be held for FY 2020-21. A Certificate confirming their eligibility under Section 141 of the Companies Act, 2013 and Rules framed thereunder have been received from the Auditors.

Further, there have been no instances of fraud reported by the Statutory Auditors under Section 143(12) of the Act and Rules framed thereunder either to the Company or to the Central Government. The Management Representation on the qualifications/ observations/ remarks of Statutory Auditor pertaining to year ended March 31, 2020 are as under:

Sr. No	Qualifications	Responses to Audit Qualifications / observations
1.	<p><u>Basis of Qualified Opinion #1:</u> As mentioned in Note No. 31 of the accompanying financial statements, the National Company Law Tribunal has ordered for reopening and recasting of the books of accounts for the financial years 2012-13 to 2017-18 of the holding company IL&FS Transportation Networks Limited, ultimate holding company Infrastructure Leasing & Financial Services Limited (“IL&FS”) and a subsidiary thereof viz. IL&FS Financial Services Limited. The company has material transactions and balances with these companies. The process for the same is still ongoing and hence the resultant / consequent impact, if any, that it may have on the financial statements of the company is not presently ascertainable;</p>	<p>An order received from NCLT dated January 01, 2019 has allowed a petition by the Union Of India for reopening of the books of accounts and recasting of the financial statements under Section 130 of the Companies Act for the five financial years between 2012-13 to 2017-18 of IL&FS and its Subsidiaries IFIN and ITNL. Accordingly, the NCLT has appointed firms to carry out the re-opening and recasting of financial statements of these entities which is under progress. The Company, based on its current understanding, believes that the above exercise would not have a material impact on the financial results of the Company. The implications, if any, arising from the aforesaid developments would be known only after the aforesaid matters are concluded and hence are not determinable at this stage.</p> <p>The company will make the</p>

		required adjustments, if any, once the recasting process of these entities is completed.
2.	<p><u>Basis of Qualified Opinion #2:</u> As mentioned in Note No. 32 to the accompanying financial statements, the Ministry of Corporate Affairs, Government of India, has initiated investigation by Serious Fraud Investigation Office (SFIO) against IL&FS Ltd. and its group companies under Section 212 (1) of the Companies Act, 2013. As a part of its investigation, SFIO has been seeking information from the Company on an ongoing basis. The investigation is in progress and the implications, if any, are not determinable at this stage. The resultant impact of the same on the accompanying financial statements is not presently ascertainable.</p>	<p>The MCA, Government of India, has vide its letter dated October 01, 2018 initiated investigation by the Serious Fraud Investigation Office (SFIO) against IL&FS and its group companies under Section 212 (1) of the Companies Act, 2013. As a part of its investigation, SFIO has been seeking information from the Company on an ongoing basis. The investigation is in progress and the Company is fully cooperating with the investigating agencies. The implications, if any, arising from the aforesaid developments would be known only after the aforesaid matters are concluded and hence are not determinable at this stage.</p>
3.	<p><u>Basis of Qualified Opinion #3:</u> As mentioned in Notes No. 33 of the accompanying financial statements, the books of accounts of IL & FS India Ltd. (the ultimate holding company) and certain companies of the group are being subject to a forensic audit by an independent third party. The independent third party has submitted their interim report in relation to the audit of ITNL (the holding Company) and the observations contained therein related primarily to the operations of ITNL. Given that the report is interim in nature and pending full completion of the examination, specific adjustment if any related to the Company arising from the said</p>	<p>The New Board of IL&FS, in January 2019, has initiated a forensic examination for the period from April 2013 to September 2018, in relation to certain companies of the Group, and has appointed an independent third party for performing the forensic audit and to report their findings to the New Board of IL&FS.</p> <p>While no specific forensic audit has been initiated for the Company, such an audit has been</p>

	<p>forensic audit of ITNL, has not been determined. The resultant impact of the same on the accompanying financial statements is not presently ascertainable.</p>	<p>conducted for ITNL (the parent company) and against its projects. The independent third party has submitted their interim report and the observations contained therein related primarily to operations of ITNL.</p> <p>Given that the report is interim in nature and pending full completion of the examination, specific adjustment if any related to the Company arising from the said forensic audit of ITNL, has not been determined.</p> <p>Hence no adjustments have been recorded in these financial statements for any consequential effects / matters that may arise in this regard. The Company will make necessary adjustments, if any once the process is completed.</p>
<p>4.</p>	<p><u>Basis of Qualified Opinion #4:</u> As mentioned in Note No. 30 of the accompanying financial statements wherein the company has disclosed that it has computed the impairment loss as at March 31, 2019 based on the bid received by the holding company for divestment of its stake in the company, which is based on the enterprise value. The company has not carried out an independent assessment of the amount of impairment based on the value in use or value in exchange of the assets as required under IndAS 36 on Impairment of Assets, the impact whereof, if any, is not determinable. The same</p>	<p>IL & FS Board has been working on a resolution plan, with a view to enable value preservation for stakeholders of IL & FS group. The resolution plan, inter alia, involves sale of assets / business / companies owned by IL & FS Group. Further, in this regard, IL & FS Board has on December 21, 2018 invited public Expression of interest (EOI) as part of the divestment process. ITNL/IL&FS received a bid from an external party and the same was accepted</p>

	<p>was also a subject matter of modification in our audit report of the company for the year ended March 31, 2019.</p>	<p>by the Board of Directors of ITNL and IL&FS (the ultimate holding Company). Shortfall in the value of the bid as compared to the carrying cost of the assets in the books of the Company as on March 31, 2019 was recognized as impairment in the value of these assets in these financial statement.</p>
<p>5.</p>	<p><u>Basis of Qualified Opinion #5:</u> As referred to in Note No. 35 of the accompanying financial statements, the company is not in compliance with certain requirement / provisions of applicable laws and regulations. Pending final determination by management of the financial and other consequences arising from such non compliances, no adjustment has been made to the accompanying financial statements.</p>	<p>Pursuant to various developments described hereinabove, the Company has not been able to comply with certain requirement applicable under the Companies Act, 2013 such as appointment of Independent Directors, Key Management Personnel. These non-compliances have been reported by the Secretarial Auditors of the Company.</p>
<p>6.</p>	<p><u>Material Uncertainty Related to Going Concern</u></p> <p>We draw attention to note no. 30-36 in the financial statements wherein the company has stated that the company is going through liquidity issues and as per the order of NCLAT had stopped servicing / accruing its debts and interest thereon since October 16, 2018, process of long term resolution plan is being explored and the company is hopeful of resolving the issues. As part of such resolution, the ultimate holding company had invited bids for divestment of its equity and a binding agreement with a prospective buyer has been entered into. Further, the company is having a</p>	<p>Union of India has superseded the earlier board of Holding/Ultimate Holding Company and appointed new Board from October 01, 2018. Entire Group is going through severe financial stress. National Company Law Appellate Tribunal (“NCLAT”) had passed an order on October 15, 2018 (“Interim Order”) in Company Appeal (AT) 346 of 2018, imposing moratorium on the creditors of IL&FS and its 348 group companies, which includes the Company. Further, NCLAT vide its order dated</p>

	<p>negative net worth of Rs. 2,408 million as on March 31, 2020. These conditions, along with other matters set forth at Note 30-36 regarding debt servicing and its liquidity status, coupled with negative net-worth as at March 31, 2020 indicate that a material uncertainty exists that may cast a significant doubt on the company’s ability to continue as a going concern. Our opinion is not modified in respect of this matter.</p>	<p>February 11, 2019 has also classified the Company under the “Amber Category” based on a 12 month cash flow solvency test, which means that the Company is able to meet only financial obligation towards Senior Lenders and operational creditors. In view of this classification and the moratorium order, the Company has stopped servicing financial obligations towards all its financial creditors. IL&FS/ITNL received a bid from third party and the same has been accepted by the Board of ITNL & IL&FS (the ultimate Holding Company). Hence on the basis of above, these accounts are prepared on the basis of going concern.</p>
<p>7.</p>	<p><u>CARO – Disclaimer of Opinion #1:</u></p> <p>According to the information and explanations given to us and based on the records of the company examined by us, the company <i>is not regular in depositing the undisputed statutory dues</i> including income-tax, sales-tax, duty of customs, goods and service tax, professional tax, cess and any other material statutory dues, as applicable, with the appropriate authorities in India.</p> <p>According to the information and explanations given to us, there are no undisputed arrears as at March 31, 2020 for a period of more than six months from the date they became payable in respect of its aforesaid statutory dues.</p>	<p>The matter is pending with CIT (A) for AY 2016-17 and rectification letter has already been filed for AY 2018-19</p>

	<p>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 except in respect of the following cases of Income Tax :</p> <table border="1" data-bbox="256 522 893 1295"> <thead> <tr> <th data-bbox="256 522 360 705">Asst. Year</th> <th data-bbox="360 522 495 705">Amount of demand (Rs. In Crore)</th> <th data-bbox="495 522 711 705">Forum where pending</th> <th data-bbox="711 522 893 705">Due Date</th> </tr> </thead> <tbody> <tr> <td data-bbox="256 705 360 821">2016-17</td> <td data-bbox="360 705 495 821">6.47</td> <td data-bbox="495 705 711 821">Commissioner of Income Tax (Appeals)</td> <td data-bbox="711 705 893 821">Matter is under appeal</td> </tr> <tr> <td data-bbox="256 821 360 1295">2018-19</td> <td data-bbox="360 821 495 1295">24.99</td> <td data-bbox="495 821 711 1295">Income Tax Officer</td> <td data-bbox="711 821 893 1295">Demand was pursuant to order u/s 143(1) for which request for rectification u/s 154 has been filed which is pending disposal.</td> </tr> </tbody> </table>	Asst. Year	Amount of demand (Rs. In Crore)	Forum where pending	Due Date	2016-17	6.47	Commissioner of Income Tax (Appeals)	Matter is under appeal	2018-19	24.99	Income Tax Officer	Demand was pursuant to order u/s 143(1) for which request for rectification u/s 154 has been filed which is pending disposal.	
Asst. Year	Amount of demand (Rs. In Crore)	Forum where pending	Due Date											
2016-17	6.47	Commissioner of Income Tax (Appeals)	Matter is under appeal											
2018-19	24.99	Income Tax Officer	Demand was pursuant to order u/s 143(1) for which request for rectification u/s 154 has been filed which is pending disposal.											
8.	<p><u>CARO – Disclaimer of Opinion #2:</u></p> <p>As a result of change in the operational status of the company as detailed at Note 30-36 of the financial statements and having regard to the final outcome of the matters are reported under the Basis for Qualification paragraph, in our audit report, based on the audit procedures performed by us and as per the information and explanations given to us by the management, we are unable to comment on</p>	<p>While the Board believes that despite various observations specified and the responses to Auditor observations, the Company has effective Internal Controls including Internal Controls on Financial Reporting. Many of the developments in the last financial year were extraneous to the Company and beyond its controls. Despite these</p>												

	<p>whether there is any instance of fraud by the company or on the company by its officers or employees. However, we have been not informed of any such case by the management.</p>	<p>challenges the Company has been able to conduct its business and financial operations in usual manner. The opinion of auditor is mainly due to external factors affecting the Company. Hence the Board to the best of its information believes that there are no frauds carried out by its employees and officers.</p>
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COST AUDITOR & COST AUDIT REPORT

Pursuant to Section 148 of the Companies Act 2013 and the Companies (Cost Records and Audit) Rules 2014 framed thereunder, the Board of Directors at their meeting held on April 21, 2020 had appointed M/s Chivilkar Solanki & Associates, Cost Accountant as the Cost Auditor of the Company for the FY 2019-20. Mr. Vijay Kumar Solanki of M/s Chivilkar Solanki & Associates, Cost Accountant has confirmed his eligibility for appointment for the FY 2020-21 and that he is free from any disqualification for being appointed as Cost Auditors under the provisions of the Companies Act, 2013.

The Board of Directors has recommended to the Members remuneration payable to M/s Chivilkar Solanki & Associates, Cost Accountants for the F.Y 2020-21 to be approved at the ensuing AGM.

SECRETARIAL AUDIT & SECRETARIAL AUDIT REPORT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your Company has appointed M/s Kaushal Dalal & Associates, Company Secretaries, Mumbai, in whole-time practice to carry out the Secretarial Audit of the for the Financial Year 2019-20.

The report of the Secretarial Auditor is enclosed as Annexure B. The Management Representation on the qualifications/ observations/ remarks of Secretarial Auditor pertaining to year ended March 31, 2020 are as under:

Sr. No	Qualifications	Responses to Audit Qualifications / observations
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<p>1.</p>	<p>The Company has not filled up the Casual Vacancy caused by resignation of Key Managerial Personnel i.e Managing Director, Chief Financial Officer and Company Secretary within 6 (Six) months from the date of such vacancy pursuant to the provisions of Section 203 of the Act as a result the Financial Statements for the Financial Year ended 31st March, 2019 is not signed as per the provisions of the Act however, Company has appointed Mr. Sunil Rai as Manager w.e.f 22nd October, 2019.</p>	<p>Due to the unforeseen situation within the IL&FS Group pursuant to the fall out of the management takeover and appointment of New Board of Directors by the Union of India and uncertainty arising there from, there was a huge attrition and resignations by the employees including KMPs. This has also resulted in difficulties in recruitment of Managing Director, CFO and CS by the Company.</p>
<p>2.</p>	<p>The status of the Company is “Active Non-compliant Company” on MCA portal as the Company have not filed Form INC-22A i.e. e-Form ACTIVE (Active Company Tagging Identities and Verification) as required under Rule 25A of the Companies (Incorporation) Rules, 2014 and hence is unable to file e-form DIR-12 with RoC with respect to appointment and resignation of Directors.</p>	<p>Due to the unforeseen situation within the IL&FS Group pursuant to the fall out of the management takeover and appointment of New Board of Directors by the Union of India and uncertainty arising therefrom, there was a huge attrition and resignations by the employees including KMPs. This has also resulted in difficulties in recruitment of KMPs to replace them and hence the Company was not in a position to file the Form INC-22A.</p>
<p>3.</p>	<p>The Company has not convened the Annual general Meeting for the financial year 2018-2019 within the limits as prescribed under provisions of Section 96 of the Companies Act, 2013 and the rules made thereunder.</p>	<p>Due to the unforeseen situation within the IL&FS Group pursuant to the fall out of the management takeover and appointment of New Board of Directors by the Union of India and uncertainty arising there from, there was a huge attrition and resignations by the employees of the Company resulting in operational challenges in attending to various works including</p>

		<p>attending to requirements by the investigation agencies which had also delayed the finalization of Accounts. Extension of AGM was sought from ROC and subsequently an application for AGM extension was made to NCLT. The AGM for the Financial Year 2018-19 was held on June 19, 2020.</p>
4.	<p>The Company have appointed the Cost Auditor for the financial year 2019-2020 in its board meeting held on 21st April, 2020, further no Cost Audit Report has been placed before the Board during the period under review.</p>	<p>Due to the unforeseen situation within the IL&FS Group pursuant to the fall out of the management takeover and appointment of New Board of Directors by the Union of India and uncertainty arising there from, there was a huge attrition and resignations by the employees of the Company resulting in operational challenges in attending to various works including attending to requirements by the investigation agencies leading to delay in finalization of accounts which had also delayed the cost audit process for FY 2018-19 and also the appointment of Cost Auditor for FY 2019-20. Hence no Cost Audit Report was placed during the period under review. However, the Cost Audit Report for FY 2018-19 was placed in the Board Meeting held on April 21, 2020.</p>
5.	<p>The Company have not filed Form DPT-3 i.e. return of Deposits or particulars of transaction not considered as deposit or both pursuant to the provisions of Rule 16 and 16A(3) of the Companies (Acceptance of Deposits) Rules,</p>	<p>Due to the unforeseen situation within the IL&FS Group pursuant to the fall out of the management takeover and appointment of New Board of Directors by the Union of</p>

	<p>2014 with Registrar of Companies for the financial year ended 31st March, 2019 and 31st March, 2020.</p>	<p>India and uncertainty arising there from, there was a huge attrition and resignations by the employees of the Company resulting in operational challenges in attending to various works including attending to requirements by the investigation agencies which had also delayed the finalization of Accounts. The Company is in process of filling the same with ROC.</p>
6.	<p>The Company have appointed the Internal Auditor for the financial year 2019-2020 in its board meeting held on 21st April, 2020, further no Internal Audit Report has been placed before the Board during the period under review.</p>	<p>Due to the unforeseen situation within the IL&FS Group pursuant to the fall out of the management takeover and appointment of New Board of Directors by the Union of India and uncertainty arising there from, there was a huge attrition and resignations by the employees of the Company resulting in operational challenges in attending to various works including attending to requirements by the investigation agencies leading to delay in finalization of accounts which had also delayed the internal audit process for FY 2018-19 and also the appointment of Internal Auditor for FY 2019-20. Since the Internal Auditors for FY 2019-20 were appointed in the Board Meeting held on 21st April, 2020; the internal audit for the period under review has taken place on a yearly basis. Further, the internal audit report for FY 2019-20 is placed in the Board Meeting held</p>

		<p>on December 22, 2020.</p>
<p>7.</p>	<p>The Company has not complied with the following regulations as specified under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:</p> <p>a. Regulations 52 (Financial Results): The Company have not submit unaudited or audited financial results on a half yearly basis within forty five days from the end of half year to the exchange for half year ended September -2019, March- 2020 and have also not publish the financial results in one English national daily newspaper.</p> <p>b. Regulations 53 (Annual Report): The Company has not disclosed the contact details of Debentures Trustee in the Annual Report.</p> <p>c. Regulations 54: Asset Coverage Ratio: The Company has not maintained the required asset coverage ratio, not disclosed the same to the stock exchanges nor disclosed the same in the Annual Financial Statements.</p> <p>d. As per Clause 56(d) of SEBI (LODR), 2015 a half yearly certificate regarding the maintenance of the 100% asset cover in the respect of listed debt securities, by either a practicing company secretary or a practicing chartered accountant, along with the half yearly financial results however the company has not maintained the asset cover nor obtained necessary certificate for the same.</p>	<p>During the financial year 2018-19, the Company has undergone various operational constrains and challenges, like</p> <ul style="list-style-type: none"> • Re-constitution of the Board of the Company • Re-opening of books of accounts and re-casting of the financial statements • Transition from IGAAP to IND AS for preparation of Financials • Investigation by Serious Fraud Investigating office (SFIO) • A special audit conducted by the Grant Thornton <p>Thus, the Company was not in a position to submit its financial statement/results as the preparation of financial statement/results requires management to make various estimates and representation.</p> <p>The Holding Company, IL&FS Transportation Networks Limited has maintained a functional website where details of the Company are updated.</p>

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186:

The details of loans given, investments made, guarantees given and securities provided under Section 186 of the Companies Act, 2013 have been provided in the notes to the financial statements.

RELATED PARTY TRANSACTIONS:

All related party transactions during the year have been entered into in ordinary course of business and on arm's length basis and are in compliance with the applicable provisions of the Companies Act, 2013. There are no materially significant transactions made with any of the related parties of the Company.

Accordingly, there are no contracts or arrangements with related parties to be disclosed in Form AOC-2 pursuant to Clause (h) of Sub section (3) of Section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014.

The Company has developed a Related Party Transactions Policy & Framework for the purpose of identification and approval of such transactions. A Statement of all related party transactions consummated as per the Related Party Transactions Policy & Framework is placed before the Audit Committee every quarter for their approval.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY:

Except as disclosed elsewhere in this report, no material changes and commitments have occurred between the end of the financial year of the Company and date of this report which can affect the financial position of the Company.

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

Since, the Company does not have any manufacturing facility, the particulars required to be provided in terms of the disclosures required under Section 134 (3)(m) of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 are not applicable to the Company. There was no earning or outgo of foreign exchange during the year under review.

RISK MANAGEMENT:

Your Company recognizes that risk is an integral part of business and is committed to managing the risks in a proactive and efficient manner. There are no risks which in the opinion of the Board affect the Company operations on going concern basis.

The Board periodically reviews the risks and measures are taken for mitigation.

CORPORATE SOCIAL RESPONSIBILITY POLICY:

During the period under review, your Company is not coming under the purview of eligibility criteria under section 135 of the Companies Act, 2013 and hence the requirements under CSR provisions are not applicable to the Company.

PERFORMANCE EVALUATION:

Due to the unforeseen situation within the IL&FS Group, the Hon'ble National Company Law Tribunal, Mumbai Bench vide its order dated April 26, 2019 has granted dispensation with the requirement of appointment of Independent and Women Directors pursuant to Section 149 of the Companies Act, 2013. In view thereof, the Company has not appointed Independent and Women Directors. Consequently, the Infrastructure Leasing & Financial Services Limited, the ultimate holding Company in its Board Meeting held on October 01, 2020 has deliberated on the applicability and relevance of Board Evaluation and had decided to file an application with NCLT seeking an exemption/clarification for formal annual evaluation by the Board of its own performance and that of its committees and individual directors by explaining the rationale for non-applicability of Board Evaluation to IL&FS group companies, after taking the same through Ministry of Corporate Affairs, Government of India. In view of the aforesaid, the performance evaluation process is not proposed for the period under review.

OTHER DISCLOSURES/ MATTERS REQUIRED UNDER COMPANIES ACT, 2013**SHARE CAPITAL:**

During the year under review there was no change in the Share Capital of the Company.

During the year under review, your Company has not issued and allotted any equity shares, equity shares with differential voting rights nor has granted any stock option or sweat equity. As on March 31, 2019, none of the directors held instruments that are convertible into Equity Shares of the Company.

REDEMPTION OF NON-CONVERTIBLE DEBENTURES

The Company had issued 88,336 Secured, Listed, Redeemable, Non-Convertible Debentures of Face Value of ₹ 1,00,000/- each (the "Debentures"), aggregating upto Rs. 883.36 Crore on a Private Placement basis. For the aforementioned Debentures, the total amount outstanding to be redeemed as on 31st March, 2020 is Rs. 816.15 Crore.

INTERNAL CONTROL SYSTEM:

The Company had implemented an internal control framework (ICF) covering various aspects of the business which enables a stage-wise/process-wise confirmation of the compliance of the control self-assessment to be provided by the maker and reviewer of transactions and also facilitates audit, both at the Corporate and at the project levels. The internal audit is carried out by a firm of Chartered Accountants using the ICF and they report directly to the Board of Directors. The Corporate Audit function plays a key role in providing both the operating management and the Board with an objective view and reassurance of the overall control systems. The ICF is periodically modified so as to be consistent with operating changes for improved controls and effectiveness of internal control and audit.

The Internal Auditor's scope and authority are derived from the Internal Audit Plan, which is approved by the Board. The plan is modified from time to time to meet requirements arising from changes in law as well as out of the improved controls resulting from the implementation of the ICF. Internal audit is conducted on a yearly basis for this Financial year due to Resolution process for the IL&FS Group including the Company. Internal Audit covers operations, accounting, secretarial and administration functions. It also provides special reference to compliances based on the audit plan. Internal audit report is placed before the Board for review discussion and suitable action.

CHANGE IN THE NATURE OF BUSINESS:

There was no change in the nature of business during the year under review as per Sub Rule 5(ii) of Rule 8 of Companies (Accounts) Rules, 2014.

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES:

During the year under review, the Company has not incorporated/formed any Subsidiary, Joint Venture, Associate Company or LLPs.

VIGIL MECHANISM FOR DIRECTORS AND EMPLOYEES:

In accordance with Section 177(9) of the Companies Act, 2013 the Company has established a vigil mechanism by adopting a Whistle Blower Policy for the directors and employees to report genuine concerns or grievances.

During the financial year 2019-20, no employee of the Company was denied access to the Audit Committee.

DEPOSITS:

During the financial year under consideration, your Company has not accepted any public deposits within the meaning of Section 73 of the Companies Act, 2013 and the rules made there under.

POLICY FOR PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE:

The Company has provided a safe and dignified work environment for its employees which is free of discrimination, intimidation and abuse. The Company has adopted a Policy for Prevention of Sexual Harassment of Women at Workplace pursuant to Section 22 read with Rule 14 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The objective of this policy is to provide protection against sexual harassment of women at workplace and for redressal of complaints of any such harassment. The Internal Complaints Committee to redress the complaints received under the Act is in place.

No complaints has been received during the year under review.

PARTICULARS OF EMPLOYEES:

During the year under review, there were no such employees of the Company in respect of whom the information is required to be disclosed pursuant to Section 197 of the Companies Act 2013 read with Rule 5(2)&(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS:

The National Company Law Tribunal (NCLT) passed an Order on October 1, 2018 under the provisions of Sections 241 and 242 of the Companies Act, 2013 for suspending the existing Board of Directors of Infrastructure Leasing and Financial Services Limited (IL&FS), the Holding Company and new members were inducted on the Board of IL&FS.

The NCLT based on a petition by IL&FS vide its Order dated April 26, 2019, granted its exemption to IL&FS and its group Companies from appointing Independent Directors and Woman Directors on the Board of IL&FS and its group companies.

There brief details of significant material orders passed by the Regulators/Courts otherwise stated are mentioned below:

Sr. No.	Parties / Case No.	Adjudicating Authority	Date of Order	Particulars
1	Union of India, Ministry of Corporate Affairs vs Infrastructure Leasing & Financial Services Limited ('IL&FS') and 10 Ors. (C.P. 3638/2018)	National Company Law Tribunal, Mumbai Bench	October 01, 2018 (read with orders dated October 3, 2018 and December 21, 2018)	<p>The Union of India, through Ministry of Company Affairs filed an application under Section 241(2) read with Section 242(2)(k) of the Companies Act, 2013 ("Act") against IL&FS, before the Hon'ble National Company Law Tribunal, Mumbai Bench ("NCLT").</p> <p>The Hon'ble NCLT suspended the erstwhile Board of Directors of IL&FS and appointed a new Board of Directors ("New Board") for IL&FS. The Order, <i>inter alia</i>, directed to take over the affairs of IL&FS immediately; conduct its business as per the Memorandum and Articles of Association of IL&FS and provisions of the Act; and submit a roadmap to the Hon'ble NCLT before October 31, 2018.</p> <p>It is pertinent that three more directors were appointed to the New Board of IL&FS <i>vide</i> orders dated October 03, 2018 and December 21, 2019.</p>
2	Union of India, Ministry of Corporate Affairs vs Infrastructure Leasing & Financial Services Limited ('IL&FS') and 10 Ors. (M.A. 1110 of 2018 in C.P. No. 3638 of 2018)	National Company Law Tribunal, Mumbai Bench	October 05, 2018	<p>The Hon'ble NCLT <i>inter alia</i></p> <p>(i) directed that no action should be initiated against the New Board for the past actions and past wrongs of the suspended directors and officials of IL&FS without prior approval of the Hon'ble NCLT; and</p> <p>(ii) granted immunity to the directors on the New Board <i>inter alia</i> from disqualification/ disability under Section 164 and 167 of the Companies Act, 2013 that may arise out of the acts of the suspended directors of IL&FS.</p>
3	Union of India, Ministry of Corporate Affairs vs IL&FS and 10 Ors. (MA 1110 / 2018 in	National Company Law Tribunal, Mumbai Bench	October 09, 2018	<p>The Hon'ble NCLT passed an Order <i>inter alia</i> holding that:</p> <p>actions of the New Board done in good faith, in the interests of IL&FS, various stakeholders including the public at large</p>

	C.P. 3638 (MB) /2018)			are protected which empowered the New Board to replace the directors on the subsidiaries, joint-ventures and associate companies of IL&FS as per existing provisions of the Memorandum and Articles of Association of IL&FS Group Company.
4	Union of India vs IL&FS and Ors. (Company Appeal (AT) no. 346 of 2018) With IL&FS vs Union of India (Company Appeal (AT) no. 347 of 2018)	National Company Law Appellate Tribunal, New Delhi	October 15, 2018	The Hon'ble National Company Law Appellate Tribunal ("NCLAT") granted interim stay on, amongst others, coercive creditor and other action against IL&FS and its group companies.
5	Union of India vs IL&FS and Ors. (Company Appeal (AT) no. 346 of 2018)	National Company Law Appellate Tribunal, New Delhi	February 11, 2019	<p>The Hon'ble NCLAT appointed (in accordance with this Order and an Order dated February 04, 2019) Justice D. K. Jain (Retd.) to supervise and oversee the resolution process of IL&FS and its group companies.</p> <p>The Hon'ble NCLAT recorded the names of 69 Indian IL&FS Group Entities which were classified into "Green", "Amber" and "Red" 'categories based on the 12 month cash flow based solvency test which was conducted by the External Resolution Consultant, details of which were submitted to the NCLAT vide affidavit dated February 11, 2019.</p> <p>The Hon'ble NCLAT also excluded all offshore entities of the IL&FS Group from the purview of the interim stay granted on coercive creditor and other action vide the Order dated October 15, 2018 passed by the Hon'ble NCLAT. However, it was clarified that the resolution for those Offshore Group Entities may be taken up by the New Board under the supervision of</p>

				<p>the Hon’ble Justice (Retd.) D.K. Jain.</p> <p>By this Order, the Hon’ble NCLAT also permitted all “Green” Entities of the IL&FS Group to service their debt obligations as per scheduled repayment. It was further clarified that the resolution of such “Green” Entities should be within the ‘Resolution Framework’ which was placed before the Hon’ble NCLAT <i>vide</i> an affidavit dated January 25, 2019 filed by the UoI, and subject to the supervision of the Hon’ble Justice (Retd.) D.K. Jain.</p>
6	<p>Union of India, Ministry of Corporate Affairs vs IL&FS and Ors. (MA 1576/2019, MA 1577/2019 and MA 1054/2019 in C.P. 3638/2019)</p>	<p>National Company Law Tribunal, Mumbai Bench</p>	<p>April 26, 2019</p>	<p>The Hon’ble NCLT dispensed with the requirement under the Act for the appointment of independent directors and women directors in various IL&FS group companies during the moratorium period.</p>
7	<p>Union of India vs IL&FS and Ors. (Company Appeal (AT) no. 346 of 2018)</p>	<p>National Company Law Appellate Tribunal, New Delhi</p>	<p>August 8, 2019</p>	<p>The Hon’ble NCLAT <i>inter alia</i> clarified that prior permission of Hon’ble Justice (Retd.) D. K. Jain would be required before selling, transferring, dealing with or creating any third party right, title or interest on any movable or immovable assets of the 82 “Red” entities.</p> <p>It is pertinent to note that by way of an Order dated August 14, 2019 the Hon'ble NCLAT further clarified that the Order dated August 08, 2019 shall not affect Red Entities to pay salary of its Employees/ Workman, Officers and Operational creditors to keep the Red Entities going concern.</p>

The NCLT and NCLAT has from time to time passed various other Orders to enable resolution of the IL&FS and its group companies which are uploaded in the respective websites.

SECRETARIAL STANDARDS:

The Secretarial Standards as applicable to the Company were complied to the extent possible, as the Company has been facing various challenges and constraints during the period under review.

ACKNOWLEDGEMENTS

The Directors place on record their appreciation for the support and co-operation received from various Government Authorities and other Regulatory Authorities, Banks, Financial Institutions and Shareholders of the Company.

**For and on behalf of the Board
Jorabat Shillong Expressway Limited**

SD/-

SD/-

December 22, 2020
Mumbai

Nominee Director
(DIN: 06612768)
Vijay Kini

Nominee Director
(DIN: 05188337)
Rajnish Saxena

ANNEXURE A

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN
As on Financial Year ended on 31.03.2020

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

I. REGISTRATION & OTHER DETAILS:

1.	CIN	U45203MH2010PLC204456
2.	Registration Date	18/06/2010
3.	Name of the Company	Jorabat Shillong Expressway Limited
4.	Category/Sub-category of the Company	Company Limited by Shares
5.	Address of the Registered office & contact details	The IL&FS Financial Centre, Plot C 22, G Block, Bandra Kurla Complex, Mumbai-400051, Contact No. 022-26533333, Email ID: itnl.secretarial@ilfsindia.com,
6.	Whether listed company	The Company is having its Non-Convertible Debentures listed on the National Stock Exchange
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Link InTime India Pvt Limited, C-101, 247 Park, LBS Marg, Surya Nagar, Vikhroli (West), Mumbai – 400 083 Phone: +91 22 4918 6000

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sr. No.	Name and Description of main products / services	NIC Code of the	% to total turnover of the company
1	Construction and maintenance of Motorways, roads, other vehicular and pedestrian ways, highways, bridges, tunnels and subways	42101	100 %

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c) Central Govt		-	-	-	-	-	-	-	-
d) State Govt(s)		-	-	-	-	-	-	-	-
e) Venture Capital Funds		-	-	-	-	-	-	-	-
f) Insurance Companies		-	-	-	-	-	-	-	-
g) FIIs		-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds		-	-	-	-	-	-	-	-
i) Others (specify)		-	-	-	-	-	-	-	-
Sub-total (B)(1):-		-	-	-	-	-	-	-	-
2. Non-Institutions									
a) Bodies Corp.		-	-	-	-	-	-	-	-
i) Indian		-	-	-	-	-	-	-	-
ii) Overseas		-	-	-	-	-	-	-	-
b) Individuals		-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh		-	-	-	-	-	-	-	-

ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh		-	-	-	-	-	-	-	-
c) Others (specify)		-	-	-	-	-	-	-	-
Sub-total (B)(2):-		-	-	-	-	-	-	-	-
Total Public Shareholding (B)=(B)(1)+(B)(2)		-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs		-	-	-	-	-	-	-	-
Grand Total (A+B+C)	4,19,99,950	4,20,00,050	8,40,00,000	100%	4,19,99,950	4,20,00,050	8,40,00,000	100%	No

ii) Shareholding of Promoter-

Sr. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	
1	IL&FS Transportation Networks Limited	8,40,00,000	100%	-	8,40,00,000	100%	-	Nil
	Total	8,40,00,000	100%	-	8,40,00,000	100%	-	Nil

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

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	IL&FS Transportation Networks Limited				
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	-	-	-	-
	At the end of the year	-	-	-	-

iv) Shareholding Pattern of top ten Shareholders:

(Other than Directors, Promoters and Holders of GDRs and ADRs): All the shares are held by the Promoters

Sr. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment /	-	-	-	-

	transfer / bonus/ sweat equity etc):				
	At the end of the year(or on the date of separation, if separated during the year)	-	-	-	-

v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Name of the Director/KMP	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Mr. Vijay Kini -Nominee Director (joint holding with IL&FS Transportation Networks Limited)	At the beginning of the year	5	-	5	-
		Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	-	-	-	-
		At the end of the year	5	-	5	-

V) INDEBTEDNESS -Indebtedness of the Company including interest outstanding/accrued but not due for payment.

(Rs. In Million)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	13576.89	-	-	13576.89
ii) Interest due but not paid	341.51	-	-	341.51
iii) Interest accrued but not due	20.23	-	-	20.23
iv) Indas Adjustment - Loan	(260.01)	-	-	(260.01)
v) Indas Adjustment - Interest	-	-	-	-
Total (i+ii+iii+iv+v)	13,678.62	-	-	13,678.62
Change in Indebtedness during the financial year				
* Addition	-	-	-	-
* Reduction	-	-	-	-
* Addition -Interest accrued but not due	-	-	-	-
* Reduction -Interest accrued but not due	-	-	-	-
* Indas Adjustment - Loan	-	-	-	-
* Indas Adjustment - Interest	-	-	-	-
Net Change	-	-	-	-
Indebtedness at the end of the financial year				
i) Principal Amount	13576.89	-	-	13576.89
ii) Interest due but not paid	341.51	-	-	341.51
iii) Interest accrued but not due	20.23	-	-	20.23
iv) Indas Adjustment - Loan	(260.01)	-	-	(260.01)

v) Indas Adjustment - Interest		-	-	
Total (i+ii+iii+iv+v)	13,678.62	-	-	13,678.62

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

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

(Rs, in Million)

Sr. No.	Particulars of Remuneration	Name of MD/WTD/ Manager				Total Amount
-	Gross salary	-	-	-	-	-
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-	-	-
2	Stock Option	-	-	-	-	-
3	Sweat Equity	-	-	-	-	-
4	Commission - as % of profit - others, specify...	-	-	-	-	-
5	Others, please specify					
	Total (A)	-	-	-	-	-
	Ceiling as per the Act	being 1% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013				

B. Remuneration to other directors

(Rs, in Million)

Sr. No	Particulars of Remuneration	Name of Directors	Total
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1	Independent Directors							
	Fee for attending board committee meetings							
	Commission							
	Others, please specify							
	Total (1)							
2	Other Non-Executive Directors							
	Fee for attending board committee meetings							
	Commission							
	Others, please specify							
	Total (2)							
	Total (B)=(1+2)							
	Total Managerial Remuneration	-	-	-	-	-	-	-
	Overall Ceiling as per the Act	being 1% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013						

** The Board of Directors in the meeting held on August 17, 2018 has passed a resolution for the waiver of Sitting Fees paid to the Non-Executive Directors.*

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

(in Million)

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS	CFO	Total
1	Gross salary	-	-	-	-
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	others, specify...	-	-	-	-
5	Others, please specify	-	-	-	-
	Total	-	-	-	-

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
B. DIRECTORS					

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Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
C. OTHER OFFICERS IN DEFAULT					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil

**For and on behalf of the Board
Jorabat Shillong Expressway Limited**

SD/-

SD/-

Date: December 22, 2020
Mumbai

Nominee Director
(DIN: 06612768)
Vijay Kini

Nominee Director
(DIN: 05188337)
Rajnish Saxena

KAUSHAL DALAL & ASSOCIATES
COMPANY SECRETARIES308, Balaji Darshan, Tilak Road, Santacruz (W), Mumbai - 400 054. * Email : kaushaldalalcs@gmail.com

FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2020
[Pursuant to Section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
JORABAT SHILLONG EXPRESSWAY LIMITED

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **JORABAT SHILLONG EXPRESSWAY LIMITED** (hereinafter called "the Company"), incorporated on **18th June, 2010** having **CIN: U45203MH2010PLC204456** and Registered office at **The IL&FS Financial Centre, Plot No. C-22, G Block Bandra Kurla Complex, Bandra (East), Mumbai- 400051**. Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the Financial Year ended on **31st March, 2020** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company and have relied on the records, documents and information shared electronically to me by the Company due to extra-ordinary circumstance of COVID-19, for the Financial Year ended on **31st March, 2020** as made available to me, according to the following provisions of (including any statutory modifications, amendments or re-enactment thereof for the time being in force):

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

KAUSHAL DALAL & ASSOCIATES
COMPANY SECRETARIES

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings- *Not Applicable during the period under review*;

(v) **The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):**

- The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014- *Not Applicable during the period under review*;
- The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011- *Not Applicable during the period under review*;
- The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018- *Not Applicable during the period under review*;
- The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 - *Not Applicable during the period under review*;
- 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;
- The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009- *Not Applicable during the period under review*;
- Other laws applicable to the Company (List of other laws enclosed and marked as **Annexure -I**)

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India;

(ii) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;

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To the best of my knowledge and belief, during the year under review, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as mentioned above subject to the following observations:

- *The Company has not filled up the Casual Vacancy caused by resignation of Key Managerial Personnel i.e Managing Director, Chief Financial Officer and Company Secretary within 6 (Six) months from the date of such vacancy pursuant to the provisions of Section 203 of the Act as a result the Financial Statements for the Financial Year ended 31st March, 2019 is not signed as per the provisions of the Act however, Company has appointed Mr. Sunil Rai as Manager w.e.f 22nd October, 2019.*
- *The status of the Company is "Active Non-compliant Company" on MCA portal as the Company have not filed Form INC-22A i.e. e-Form ACTIVE (Active Company Tagging Identities and Verification) as required under Rule 25A of the Companies (Incorporation) Rules, 2014 and hence is unable to file e-form DIR-12 with RoC with respect to appointment and resignation of Directors.*
- *The Company has not convened the Annual general Meeting for the financial year 2018-2019 within the limits as prescribed under provisions of Section 96 of the Companies Act, 2013 and the rules made thereunder.*
- *The Company have appointed the Cost Auditor for the financial year 2019-2020 in its board meeting held on 21st April, 2020, further no Cost Audit Report has been placed before the Board during the period under review.*
- *The Company have not filed Form DPT-3 i.e. return of Deposits or particulars of transaction not considered as deposit or both pursuant to the provisions of Rule 16 and 16A(3) of the Companies (Acceptance of Deposits) Rules, 2014 with Registrar of Companies for the financial year ended 31st March, 2019 and 31st March, 2020.*
- *The Company have appointed the Internal Auditor for the financial year 2019-2020 in its board meeting held on 21st April, 2020, further no Internal Audit Report has been placed before the Board during the period under review.*
- *The Company has not complied with the following regulations as specified under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:*
 - a. *Regulations 52 (Financial Results): The Company have not submit unaudited or audited financial results on a half yearly basis within forty five days from the end of half year to the exchange for half year ended September -2019, March- 2020 and have also not publish the financial results in one English national daily newspaper.*

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- b. Regulations 53 (Annual Report): The Company has not the disclosed contact details of Debentures Trustee in the Annual Report.*
- c. Regulations 54: Asset Coverage Ratio: The Company has not maintained the required asset coverage ratio, not disclosed the same to the stock exchanges nor disclosed the same in the Annual Financial Statements.*
- d. As per Clause 56(d) of SEBI (LODR), 2015 a half yearly certificate regarding the maintenance of the 100% asset cover in the respect of listed debt securities, by either a practicing company secretary or a practicing chartered accountant, along with the half yearly financial results however the company has not maintained the asset cover nor obtained necessary certificate for the same;*

I further report that-

The Board of Directors of the Company is constituted with composition of Non-Executive Directors only. Further the changes in composition of Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least 7 (Seven) days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Decisions at the meetings of the Board of Directors of the Company were carried out unanimously. There were no dissenting views by any member of the Board of Directors during the year under review.

I further report during the audit period the Company has following specific events having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc:

- a. The Ministry of Corporate Affairs (MCA), Government of India, has initiated investigation by Serious Fraud Investigation Office (SFIO) against Infrastructure Leasing & Financial Services Limited (IL&FS), the Ultimate Holding Company including IL&FS Transportation Networks Ltd (ITNL), the Holding Company under Section 212(1) of the Companies Act, 2013. As a part of its investigation, SFIO has been seeking information. The investigation is in progress.

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- b. The National Company Law Tribunal (“NCLT”), vide order dated 1st January, 2019, had allowed a petition filed by the Union of India, for re-opening of the books of accounts and re-casting the financial statements under the provisions of Section 130 of the Companies Act, 2013 for the financial years from 2012-13 to 2017-18, of Infrastructure Leasing & Financial Services Limited (“IL&FS”), and its subsidiaries namely IL&FS Financial Services Limited (“IFIN”) and IL&FS Transportation Network Limited (“ITNL”), the parent Company.

Audit Note:

Following documents are not available for verification due to closure of Company’s registered office at Mumbai caused by State Government lock-down:

- a. Attendance sheets for Directors and Invitees present at the Board, Audit Committee and General Meetings
- b. Proof of circulation of draft minutes of Board and Audit Committee meetings
- c. Proof of circulation of signed minutes of Board and Audit Committee meetings
- d. Proof of circulation of Notice and Agenda of the Board and Audit Committee meetings

For Kaushal Dalal & Associates
Company Secretaries

Kaushal Dalal
Proprietor
Membership No.: FCS 7141
CoP No.: 7512
UDIN: F007141B001606926

Date: 22nd December, 2020
Place: Mumbai

KAUSHAL DALAL & ASSOCIATES

COMPANY SECRETARIES

Annexure I

<i>Sr. No.</i>	<i>Particulars</i>
1	Concession Agreement with National Highway Authority of India (NHAI)
2	Building And Other Construction Workers (Regulation Of Employment And Conditions Of Service) Act, 1996
3	Environment (Protection) Act, 1986
4	Air (Prevention And Control Of Pollution) Act, 1981
5	Water (Prevention And Control Of Pollution) Act, 1974
6	Forest Conservation Act, 1980
7	Hazardous Wastes (Management And Handling) Rules, 1989
8	Labour Laws, to the extent applicable.

For Kaushal Dalal & Associates
Company Secretaries

Kaushal Dalal
Proprietor
Membership No.: FCS 7141
CoP No.: 7512
UDIN: F007141B001606926

Date: 22nd December, 2020

Place: Mumbai

KAUSHAL DALAL & ASSOCIATES
COMPANY SECRETARIES

To,
The Members,
JORABAT SHILLONG EXPRESSWAY LIMITED

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

1. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. 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 test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provided a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Book of Accounts of the Company.
4. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulation, standards is the responsibility of management. My examination was limited to the verification of procedures on the test basis.
6. The Secretarial audit report is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Kaushal Dalal & Associates
Company Secretaries

Kaushal Dalal
Proprietor
Membership No.: FCS 7141
CoP No.: 7512
UDIN: F007141B001606926

Date: 22nd December, 2020
Place: Mumbai

INDEPENDENT AUDITOR'S REPORT

To,

The Members of Jorabat Shillong Expressway Limited

Report on the Audit of the Financial Statements

Qualified Opinion

We have audited the accompanying financial statements of Jorabat Shillong Expressway Limited ("the Company"), which comprise the balance sheet as at 31st March 2020, the statement of Profit and Loss (including Other Comprehensive Income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of matters described in *Basis of Qualified Opinion* section, 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, 2020, its profits (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis of Qualified Opinion

- a. We draw attention to Note No. 31 of the accompanying financial statements, the National Company Law Tribunal has ordered for reopening and recasting of the books of accounts for the financial years 2012-13 to 2017-18 of the holding company IL&FS Transportation Networks Limited, ultimate holding company IL&FS India Limited and a subsidiary thereof viz. IL&FS Financial Services Limited. The company has material transactions and balances with these companies. The process for the same is still ongoing and hence the resultant / consequent impact, if any, that it may have on the financial statements of the company is not presently ascertainable;
- b. As mentioned in Note No. 32 to the accompanying financial statements, the Ministry of Corporate Affairs, Government of India, has initiated investigation by Serious Fraud Investigation Office (SFIO) against IL&FS Ltd. and its group companies under Section 212 (1) of the Companies Act, 2013. As a part of its investigation, SFIO has been seeking information from the Company on an ongoing basis. The investigation is in progress and the implications, if any, are not determinable at this stage. The resultant impact of the same on the accompanying financial statements is not presently ascertainable.
- c. As mentioned in Notes No. 33 of the accompanying financial statements, the books of accounts of IL & FS India Ltd. (the ultimate holding company) and certain companies of the group are being subject to a forensic audit by an independent third party. The independent third party has submitted their interim report in relation to the audit of ITNL (the holding Company) and the observations contained therein related primarily to the operations of ITNL. Given that the report is interim in nature and pending full completion of the examination, specific adjustment if any related to the Company arising from the said forensic audit of ITNL, has not been determined.



The resultant impact of the same on the accompanying financial statements is not presently ascertainable.

- d. *We draw attention to Note No. 30 of the accompanying financial statements wherein the company has disclosed that it has computed the impairment loss as at March 31, 2019 based on the bid received by the holding company for divestment of its stake in the company, which is based on the enterprise value. The company has not carried out an independent assessment of the amount of impairment based on the value in use or value in exchange of the assets as required under IndAS 36 on Impairment of Assets, the impact whereof, if any, is not determinable. The same was also a subject matter of modification in our audit report of the company for the year ended March 31, 2019*
- e. *As referred to in Note No. 35 of the accompanying financial statements, the company is not in compliance with certain requirement / provisions of applicable laws and regulations. Pending final determination by management of the financial and other consequences arising from such non compliances, no adjustment has been made to the accompanying financial statements.*

Emphasis of Matter

- i. *We draw your attention to Note No. 36 to accompanying financial statements regarding NCLAT Order on Moratorium for financial creditors of the Company based on which Company has stopped servicing and accruing interest and repayment to financial creditors effective from October 15, 2018. Consequently, no interest has been accrued after October 15, 2018. The amount of interest due as per the loan terms aggregate to Rs. 1238.06 Million as at March 31, 2020. Consequently, in view of there being no repayments the unamortised transaction costs have not been amortised for the year. (Ref Note No. 20 & 36).*
- ii. *As further detailed at Note No. 34 of the accompanying financial statements, the creditors of the company have submitted their claims to a Claim Management Advisor ("CMA") appointed by IL&FS, ultimate holding company. As stated in the said note, management of the company reconciled them with the books of accounts. Such claims have either been provided for, or disclosed as contingent liabilities if there is a possible obligation on the company.*

Our opinion is not modified in respect of the aforesaid matters.

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 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 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 on the financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of these standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report



Key Audit Matter	How our audit addressed the matter
<p>Cash Flow Annuity model for determining revenue as per Service Concession Agreement</p> <p>The cash flow annuity model indicates the cash flow to be generated over the concession period. The key inputs of the model includes revenue inflows (annuity), expenses to be incurred to earn the revenue, estimation of costs to build and maintain the asset. These inputs are based on circumstances existing and management judgment, estimates and assumptions on future data based on current situations. Management Judgement is involved in the expected margin, costs, inflation etc. for the future years. These input assumptions could affect the reported cash flow from the asset and accordingly these assumptions are reviewed periodically which necessitates focus on these aspects as they involve high level of management estimates and judgements and hence a key audit matter.</p>	<p>Audit procedures performed includes:</p> <ul style="list-style-type: none"> - Obtained an understanding and evaluated the company's process for projecting the future cash flows for annuity model including assumptions and basis of projections; - Tested the design, implementation and operating effectiveness of relevant internal controls related to cash flow annuity model for determining the revenue from operations. - Assessed the reasonableness of the method, assumptions and judgements used by the management for forecasting future cash flows over the remaining concession period. The assessment included: <ul style="list-style-type: none"> • Assessing the reliability of management's forecast through the review of actuals vs. forecasts; • Checking the assumptions used in the forecast which includes expected margin, inflation as well as timing of future cash flow(s) as per the service concession agreement with NHAI. - Assessing the arithmetical accuracy of the model and checked the related disclosures made by the company.

Material Uncertainty Related to Going Concern

We draw attention to note no. 30-36 in the financial statements wherein the company has stated that the company is going through liquidity issues and as per the order of NCLAT had stopped servicing / accruing its debts and interest thereon since October 16, 2018, process of long term resolution plan is being explored and the company is hopeful of resolving the issues. As part of such resolution, the ultimate holding company had invited bids for divestment of its equity and a binding agreement with a prospective buyer has been entered into. Further, the company is having a *negative* net worth of Rs. 2,408 million as on March 31, 2020. These conditions, along with other matters set forth at Note 30-36 regarding debt servicing and its liquidity status, coupled with negative net-worth as at March 31, 2020 indicate that a material uncertainty exists that may cast a significant doubt on the company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Information Other than the 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 financial statements and our auditor's report thereon. The above-referred information is expected to be made available to us after the date of this audit report.

Our opinion on the 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 financial statements, our responsibility is to read the other information identified above when it becomes available, and, in doing so, consider whether the other information is materially inconsistent with the 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.

When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions necessitated by the circumstances and the applicable laws and regulations.

Responsibilities of Management and Those Charged with Governance for the 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 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 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 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 Financial Statements

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

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

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



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

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

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

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

Report on Other Legal and Regulatory Requirements

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 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 financial statements comply, in material respect, with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.



- (e) The matters as described in the "Basis of Qualified Opinion" paragraph may have adverse effect on the functioning of the company.
- (f) On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.
- (g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure II.
- (h) With respect to reporting on other matters to be included herein in accordance with the requirements of section 197(16) of the Act, in our opinion and to the best of our information and according to the explanations given to us, we report that no amount has been paid by the company towards remuneration to its directors, other than directors sitting fees which is within the limits as specified.
- (i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 27 & 28 to the accompanying financial statements;
 - 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 MKPS & Associates
Chartered Accountants
FRN 302014E**


**Narendra Khandal
Partner
M No. 065025**

**UDIN : 20065025AAAAKD9812
Mumbai, December 22, 2020**



**Annexure - I to the Independent Auditors Report
Referred to in our report of even date, to the members of Jorabat Shillong Expressway Limited
for the year ended March 31, 2020**

- i) In view of there being no Property, Plant & Equipment, other than financial assets in the nature of Annuity Receivable rights, the reporting requirements under sub-clause (a), (b) and (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 does not carry any inventories for the year ended on 31st March, 2020. 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 during the year under audit 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) According to the information and explanations provided to us and as represented by the management, the maintenance of cost records has been specified for the company by the Central Govt., under sub-section (1) of section 148 of the Act read with Companies (Cost Records and Audit) Rules, 2014 (as amended). We have broadly reviewed the 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 not regular in depositing the undisputed statutory dues* including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, goods and service tax, professional tax, 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 arrears as at March 31, 2020 for a period of more than six months from the date they became payable in respect of its aforesaid statutory dues.

- (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 except in respect of the following cases of Income Tax :


Asst. Year	Amount of demand (Rs. In Crore)	Forum where pending	Remarks
2016-17	6.47	Commissioner of Income Tax (Appeals)	Matter is under appeal
2018-19	24.99	Income Tax officer	Demand was pursuant to order u/s 143(1) for which request for



			rectification u/s 154 has been filed which is pending disposal.
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- viii) Based upon the audit procedures carried out by us and on the basis of information and explanations provided by the management, we report that the company does not have any borrowing from banks / FI / govt.. The company has listed debentures in respect of which the interest and principal repayment during the financial year are at default as per the terms of the contract. However, the Hon'ble NCLAT subsequent to year end vide its order dated March 12, 2020 directed that no interest / charges are to be accrued after October 15, 2018. In view of the said order, we report that there are no defaults in respect of these debentures.
- ix) According to the information and explanations provided to us and on an overall examination of the balance sheet, the company has not raised any money by way of initial public offer or further public offer, hence this part of sub-clause (ix) is not applicable.
- x) As a result of change in the operational status of the company as detailed at Note 30-36 of the financial statements and having regard to the final outcome of the matters are reported under the Basis for Qualification paragraph, in our audit report, based on the audit procedures performed by us and as per the information and explanations given to us by the management, we are unable to comment on whether there is any instance of fraud by the company or on the company by its officers or employees. However, we have been not informed of any such case by the management.
- xi) According to the information and explanations given to us, the company has not paid any managerial remuneration during the year and hence the reporting requirements under clause (xi) of paragraph 3 of the order are not applicable.
- xii) The company is not a Nidhi Company and hence the reporting requirements under clause (xii) of paragraph 3 of the order are not applicable.
- xiii) 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.
- xiv) The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under audit.
- xv) According to the information and explanations provided to us, the company has not entered into any non-cash transactions with directors or persons connected with them.
- xvi) 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.

**For MKPS & Associates
Chartered Accountants
FRN 302014E**


**CA Narendra Khandal
Partner
M No. 065025
UDIN : 20065025AAAAKD9812
Mumbai, December 22, 2020**



Annexure – II to the Independent Auditors Report

Referred to in our report of even date, to the members of Jorabat Shillong Expressway Limited for the year ended March 31, 2020

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 Jorabat Shillong Expressway 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

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 financial statements, whether due to fraud or error.

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

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 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 financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls 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, 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 MKPS & Associates
Chartered Accountants
FRN 302014E**


CA Narendra Khandal
Partner

**M No. 065025
UDIN : 20065025AAAAKD9812
Mumbai, December 22, 2020**



BALANCE SHEET AS AT MARCH 31, 2020

₹ in Millions

Particulars	Notes	As at		As at	
		March 31, 2020		March 31, 2019	
ASSETS					
Non-current Assets					
(a) Financial assets					
(i) Other financial assets	4		7,750.60		8,260.62
(b) Tax assets					
(i) Non Current Tax Asset (Net)	14		177.86		65.32
Total Non-current Assets			7,928.46		8,325.94
Current Assets					
(a) Financial assets					
(i) Investments	7	1,312.37		1,259.20	
(ii) Cash and cash equivalents	5	167.43		70.36	
(iii) Bank balances other than (ii) above	5	3,685.14		-	
(iv) Other financial assets	4	480.05	5,644.99	3,020.46	4,350.02
(b) Other current assets	6		9.78		42.95
Total Current Assets			5,654.77		4,392.98
Total Assets			13,583.23		12,718.91
EQUITY AND LIABILITIES					
Equity					
(a) Equity share capital	8	840.00		840.00	
(b) Other Equity	9	(3,247.17)		(4,134.46)	
Equity attributable to owners of the Company			(2,407.17)		(3,294.46)
Non-controlling Interests	17		-		-
Total Equity			(2,407.17)		(3,294.46)
LIABILITIES					
Non-current Liabilities					
(a) Financial Liabilities					
(i) Borrowings	10	7,901.49		7,901.49	
(ii) Trade payables other than MSME	13	512.57	8,414.06	509.25	8,410.74
Total Non-current Liabilities			8,414.06		8,410.74
Current liabilities					
(a) Financial liabilities					
(i) Borrowings	10	5,415.39		5,415.39	
(ii) Trade payables other than MSME	13	30.15		30.15	
(iii) Other financial liabilities	11	2,130.08	7,575.62	2,140.76	7,586.30
(b) Current tax liabilities (Net)	14		-		13.70
(c) Other current liabilities	12		0.72		2.65
Total Current Liabilities			7,576.34		7,602.64
Total Liabilities			15,990.40		16,013.38
Total Equity and Liabilities			13,583.23		12,718.91

Notes 1 to 43 form part of the financial statements.

In terms of our report attached.

For MKPS & Associates
Chartered Accountants
Firm Registration Number-302014E


Narendra Khandal
Partner
Membership Number -065025



Place: Mumbai
Date: 22nd December, 2020

For and behalf of the Board

Vijay Pandhari
Digitally signed by Vijay Pandhari
Date: 2020.12.22 15:55:29 +05:30

Rajnish Saxena
Digitally signed by RAJNISH SAXENA
Date: 2020.12.22 15:59:11 +05:30

Vijay Kini
Director
DIN 06612768

Rajnish Saxena
Director
DIN:05188337

Place: Mumbai
Date: 22nd December, 2020

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2020

₹ in Millions

Particulars	Notes	Year ended March 31, 2020	Year ended March 31, 2019
I. Revenue from Operations	15	982.10	1,114.94
II. Other income	16	131.30	67.08
III. Total Income (I+II)		1,113.40	1,182.02
IV. Expenses			
Construction Costs	17	14.06	159.74
Operating expenses	18	129.48	129.39
Employee benefits expense	19	-	0.15
Finance costs (net)	20	0.72	2,502.26
Provision for Impairment of Financial assets	21	-	1,622.84
Write-off of Claim Receivable		-	1,372.66
Other expenses	22	81.85	68.33
Total expenses (IV)		226.10	5,855.37
V Profit before share of profit/(loss) of an associate and a joint venture		887.30	(4,673.35)
VI Less: Tax expense	23	-	-
(1) Current tax		-	-
Total Tax expenses		-	-
VII Profit/(loss) after tax (V-VI)		887.30	(4,673.35)
VIII Profit / (Loss) for the year		887.30	(4,673.35)
IX Other Comprehensive Income		-	-
X Total comprehensive (loss) / income for the year (VIII + IX)		887.30	(4,673.35)
Profit/ (Loss) for the year attributable to:			
- Owners of the Company		887.30	(4,673.35)
- Non-controlling interests		-	-
		887.30	(4,673.35)
XI Earnings per equity share (face value ₹ 10 per share):	24		
(1) Basic (in Rs.)		10.56	(55.64)
(2) Diluted (in Rs.)		10.56	(55.64)

Notes 1 to 43 form part of the financial statements.

For MKPS & Associates
Chartered Accountants
Firm Registration Number-302014E


Narendra Khandal
Partner

Membership Number -065025

Place: Mumbai

Date : 22nd December, 2020



For and behalf of the Board

Vijay Pandhari
nath Kini
Vijay Kini
Director
DIN:06612768

Digitally signed
by Vijay
Pandharinath Kini
Date: 2020.12.22
15:56:02 +05'30'

RAJNIS H
SAXENA
Digitally signed
by RAJNISH
SAXENA
Date: 2020.12.22
15:59:43 +05'30'

Rajnish Saxena
Director
DIN:05188337

Place: Mumbai

Date : 22nd December, 2020

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2020

₹ in Millions

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Cash flows from operating activities		
Profit for the year	887.30	(4,673.35)
Adjustments for:		
Construction Income	(28.41)	(34.24)
Finance Income	(825.02)	(803.52)
O&M Income	(113.58)	(105.06)
Construction Cost	14.06	159.74
Gain on MTM- Investment in Mutual fund	(73.27)	(34.34)
O&M Cost	103.58	97.07
Finance costs recognised in profit or loss	-	657.19
Profit on sale of investments	(3.41)	(29.36)
Interest income recognised in profit or loss	(44.99)	(3.38)
Impairment	-	1,622.84
Provision for Tax	-	-
	(83.76)	(3,146.40)
Movements in working capital:		
(Increase)/decrease in other financial assets & other assets (current and non current)	2,290.47	1,825.61
Increase/ (Decrease) in financial liabilities & other liabilities (current and non current)	(22.98)	106.06
	2,267.49	1,931.66
Cash generated from operations	2,183.74	(1,214.74)
Income taxes paid (net of refunds)	126.24	(22.37)
Net cash generated by operating activities (A)	2,309.98	(1,237.11)
Cash flows from investing activities		
Increase in receivable under service concession arrangements (net)	1,403.73	2,190.20
Increase in Fixed Deposit (Having Maturity More than 3 Month)	(3,685.14)	-
Interest received	44.99	3.38
Investment in Mutual funds	(12.50)	-
Redemption of Mutual funds	36.01	(362.50)
Net cash used in investing activities (B)	(2,212.91)	1,831.08
Cash flows from financing activities		
Repayment of NCD	-	(585.76)
Net cash generated in financing activities (C)	-	(585.76)
Net increase/ (decrease) in cash and cash equivalents (A+B+C)	97.07	8.22
Cash and cash equivalents at the beginning of the year	70.36	62.14
Cash and cash equivalents at the end of the year	167.43	70.36

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Components of Cash and Cash Equivalents		
Cash on hand	-	-
Balances with Banks in current accounts	153.43	56.36
Balances with Banks in deposit accounts	14.00	14.00
Cash and Cash Equivalents	167.43	70.36

Notes 1 to 43 form part of the financial statements.

In terms of our report attached.

For MKPS & Associates
Chartered Accountants
Firm Registration Number-302014E


Narendra Khandal
Partner

Membership Number -065025



Place Mumbai
Date 22nd December, 2020

For and on behalf of the Board

Vijay Pandhari
Digitally signed by Vijay Pandharinath Kini
Date: 2020.12.22 15:56:28 +05'30'

RAJNISH SAXENA
Digitally signed by RAJNISH SAXENA
Date: 2020.12.22 16:00:17 +05'30'

Vijay Kini
Director
DIN:06612768

Rajnish Saxena
Director
DIN:05188337

Place Mumbai
Date 22nd December, 2020

Statement of changes in equity

₹ in Millions

a. Equity share capital	Year ended March 31, 2020	Year ended March 31, 2019
Balance as at the beginning of the year	840.00	840.00
Changes in equity share capital during the year	-	-
Balance as at end of the year	840.00	840.00

₹ in Millions

Statement of changes in equity for the year ended March 31, 2019						
b. Other equity	Debenture redemption reserve	Retained earnings	Total	Attributable to owners of the parent	Non-controlling interests	Total
Balance as at April 1, 2018		538.89	538.89	538.89	-	538.89
Profit/(Loss) for the year		(4,673.35)	(4,673.35)	(4,673.35)	-	(4,673.35)
Balance as at March 31, 2019		(4,134.46)	(4,134.46)	(4,134.46)	-	(4,134.46)

₹ in Millions


Statement of changes in equity for the Year ended March 31, 2020						
b. Other equity	Debenture redemption reserve	Retained earnings	Total	Attributable to owners of the parent	Non-controlling interests	Total
Balance as at April 1, 2019		(4,134.46)	(4,134.46)	(4,134.46)		(4,134.46)
Profit/(Loss) for the year		887.30	887.30	887.30	-	887.30
Transfer (to) / from debenture redemption reserve	816.15	(816.15)	-	-	-	-
Balance as at March 31, 2020	816.15	(4,063.32)	(3,247.17)	(3,247.17)	-	(3,247.17)

Foot Note:

a. Amount transferred to Debenture Redemption Reserves represents the amount required to be transferred to DRR in respect of which the investments in earmarked funds is yet to be made.

Notes 1 to 43 form part of the financial statements.

For MKPS & Associates
Chartered Accountants
Firm Registration Number-302014E


Narendra Khandal
Partner
Membership Number -065025



Place: Mumbai
Date : 22nd December, 2020

For and on behalf of the Board

Vijay
Pandharina
th Kini

Digitally signed by
Vijay Pandharina
th Kini
Date: 2020.12.22
15:57:18 +05'30'

RAJNISH
SAXENA

Digitally signed by
RAJNISH SAXENA
Date: 2020.12.22
16:00:46 +05'30'

Vijay Kini
Director
DIN:06612768

Rajnish Saxena
Director
DIN:05188337

Place: Mumbai
Date : 22nd December, 2020

Jorabat Shillong Expressway Limited
General Information & Significant Accounting Policies

NOTE NO. 1

1. General information

The Jorabat Shillong Project ("JSP") is a concession arrangement granted by the "NHAI" for a period of 20 years including construction period of three years from appointed date to Jorabat Shillong Expressway Limited ("JSEL"). Besides construction, JSEL's obligations include routine maintenance and period maintenance of the flexible pavement and the rigid pavement at predefined intervals. In consideration JSEL is entitled to a defined annuity. At the end of the concession period JSEL is required to be handed over in a stipulated condition to the grantor. The concession arrangement does not provide for renewal options

NOTE NO. 2

2. Significant accounting policies

2.1 Statement of compliance

The financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015.

2.2 Basis of preparation and presentation

The financial statements have been prepared on a historical cost basis, except for the following asset and liabilities which have been measured at fair value:

- Derivative financial instruments,
- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments),

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. 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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these [consolidated] financial statements is determined on this basis.

2.3 Use of estimates

The preparation of financial statements in conformity with IND AS requires the Management to make estimates and assumptions that affect the reported amount of assets, liabilities, revenues and expenses and disclosure of contingent liabilities on the date of financial statements. The recognition, measurement, classification or disclosures of an item or information in the financial statements have been made relying on management estimates to a greater extent.



Jorabat Shillong Expressway Limited
General Information & Significant Accounting Policies

2.4 Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

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

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

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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 or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, 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

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

External valuers are involved for valuation of significant assets, such as properties and significant liabilities, such as contingent consideration.

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.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.



Jorabat Shillong Expressway Limited
General Information & Significant Accounting Policies

2.5 Accounting for rights under service concession arrangements and revenue recognition

i. Recognition and measurement

The Company builds, operates and maintains infrastructure assets under public-to-private Service Concession Arrangements (SCAs), which is an arrangement between the "grantor" (a public sector entity/authority) 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. The infrastructures accounted for by the Company as concessions are mainly related to the activities concerning roads.

Concession contracts are public-private agreements for periods specified in the SCAs including the construction, up gradation, restoration of infrastructure and future services associated with the operation and maintenance of assets in the concession period. Revenue recognition, as well as, the main characteristics of these contracts are detailed in Note 33

With respect to service concession arrangements, revenue and costs are allocated between those relating to construction services and those relating to operation & maintenance services, and are accounted for separately. Consideration received or receivable is allocated by reference to the relative fair value of services delivered when the amounts are separately identifiable. The infrastructure used in a concession are classified as an intangible asset or a financial asset, depending on the nature of the payment entitlements established in the concession agreement.

When the amount of the arrangement consideration for the provision of public services is substantially fixed by a contract, the Company recognizes revenues from construction services for public facilities (infrastructures) by the percentage-of-completion method, and recognizes the consideration as a financial asset and the same is classified as "Receivables against Service Concession Arrangements". The Company accounts for such financial assets at amortized cost, calculates interest income based on the effective interest method and recognizes it in revenue as Finance Income.

ii. Contractual obligation to restore the infrastructure to a specified level of serviceability

The Company has contractual obligations to maintain the infrastructure to a specified level of serviceability or restore the infrastructure to a specified condition during the concession period and/or at the time of hand over to the grantor of the SCA. Such obligations are measured at the best estimate of the expenditure that would be required to settle the obligation at the balance sheet date. In case of concession arrangements under financial asset model, such costs are recognized in the period in which such costs are actually incurred.

iii. Revenue recognition

Once the infrastructure is in operation, the treatment of income is as follows:

Finance income for concession arrangements under financial asset model is recognized using the effective interest method. Revenues from operations and maintenance services and overlay services are recognized in each period as and when services are rendered in accordance with Ind AS 115 Revenue.



Jorabat Shillong Expressway Limited
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iv. Revenue from construction contracts

The Company recognizes and measures revenue, costs and margin for providing construction services during the period of construction of the infrastructure in accordance with Ind AS 115 'Construction Contracts'.

When the outcome of a construction contract can be estimated reliably and it is probable that it will be profitable, contract revenue and contract costs associated with the construction contract are recognized as revenue and expenses respectively by reference to the percentage of completion of the contract activity at the reporting date. The percentage of completion of a contract is determined considering the proportion that contract costs incurred for work performed upto the reporting date bear to the estimated total contract costs.

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

The percentage of completion method is applied on a cumulative basis in each accounting period to the current estimates of contract revenue and contract costs. The effect of a change in the estimate of contract revenue or contract costs, or the effect of a change in the estimate of the outcome of a contract, is accounted for as a change in accounting estimate and the effect of which are recognized in the Statement of Profit and Loss in the period in which the change is made and in subsequent periods.

When the outcome of a construction contract cannot be estimated reliably, revenue is recognized only to the extent of contract costs incurred of which recovery is probable and the related contract costs are recognized as an expense in the period in which they are incurred.

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

v. Borrowing cost related to SCAs

In case of concession arrangement under financial asset model, borrowing costs attributable to construction of the infrastructure are charged to Statement of Profit and Loss in the period in which such costs are incurred.

In case of concession arrangement under intangible asset model, borrowing costs attributable to the construction of infrastructure assets are capitalized up to the date of the final completion certificate of the asset / facility received from the authority for its intended use specified in the Concession Agreement. All borrowing costs subsequent to the capitalization of the intangible assets are charged to the Statement of Profit and Loss in the period in which such costs are incurred.



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2.6 Borrowing costs

Borrowing costs are recognised in the period to which they relate, regardless of how the funds have been utilised, except where it relates to the financing of construction of development of assets requiring a substantial period of time to prepare for their intended future use. Interest is capitalised up to the date when the asset is ready for its intended use. The amount of interest capitalised (gross of tax) for the period is determined by applying the interest rate applicable to appropriate borrowings outstanding during the period to the average amount of accumulated expenditure for the assets during the period. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

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

2.7 Taxation

Current tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

The provision for tax is taken for each consolidating entity on the basis of the standalone financial statements prepared under Ind AS by that entity and aggregated for the purpose of the consolidated financial statements.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax return with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets (including unused tax credits such as MAT credit and unused tax losses such as carried forward business loss and unabsorbed depreciation) are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are



Jorabat Shillong Expressway Limited
General Information & Significant Accounting Policies

not recognized if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognized to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

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 realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

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

2.8 Property, plant and equipment

Property, plant and equipment acquired by the Company are reported at acquisition cost, with deductions for accumulated depreciation and impairment losses, if any.

The acquisition cost includes the purchase price (excluding refundable taxes) and expenses, such as delivery and handling costs, installation, legal services and consultancy services, directly attributable to bringing the asset to the site and in working condition for its intended use.

Where the construction or development of any asset requiring a substantial period of time to set up for its intended use is funded by borrowings, the corresponding borrowing costs are capitalized up to the date when the asset is ready for its intended use.

All assets are depreciated on a Straight Line Method (SLM) of Depreciation, over the useful life of assets as prescribed under Schedule II of the Companies Act, 2013.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets. However, when there is no reasonable certainty that ownership will be obtained by the end of the lease term, assets are depreciated over the shorter of the lease term and their useful lives.



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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 of the asset and is recognized in profit or loss.

2.9 Impairment of tangible assets/intangible asset

At the end of each reporting period, the Company reviews the carrying amounts of its tangible /intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest Company of cash-generating units for which a reasonable and consistent allocation basis can be identified.

In assessing value in use, the estimated future cash flows are discounted to their present value using appropriate discount rate.

Recoverable amount is the higher of fair value less costs of disposal and value in use.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

2.10 Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. 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.

The amount recognized 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).



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2.11 Financial instruments

Financial assets and financial liabilities are recognized when a company becomes a party to the contractual provisions of the instruments.

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

2.12 Financial assets

All regular way purchases or sales of financial assets are recognized and derecognized on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

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

2.12.1. Classification of financial assets – debt instruments

Debt instruments that meet the following conditions are subsequently measured at amortized cost (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

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

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

2.12.2. Amortized cost and Effective interest method

The effective interest method is a method of calculating the amortized cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (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 debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.



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Income is recognized on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognized in profit or loss and is included in the "Other income" line item.

2.12.3. Financial assets at FVTPL

Debt instruments that do not meet the amortized cost or FVOCI criteria are measured at FVTPL. In addition, debt instruments that meet the amortized cost or FVOCI criteria but are designated as at FVTPL are measured at FVTPL.

A debt instrument that meets the amortized cost or FVOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognizing the gains and losses on them on different bases. The Company has not designated any debt instrument as at FVTPL.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on re-measurement recognized in profit or loss. The net gain or loss recognized in profit or loss is included in the "Other income" line item.

2.12.4. Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition 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 balance
- 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 (referred to as 'contractual revenue receivables' in these illustrative financial statements)
- c) Loan commitments which are not measured as at FVTPL

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. However, for trade receivables, the Company measures the loss allowance at an amount equal to lifetime expected credit losses. In cases where the amounts are expected to be realized upto one year from the due date, loss for the time value of money is not recognized, since the same is not considered to be material.

When making the assessment of whether there has been a significant increase in credit risk since initial recognition, the Company uses the change in the risk of a default occurring over the expected life of the financial instrument instead of the change in the amount of expected credit losses. To make that assessment, the Company compares the risk of a default occurring on the financial instrument as



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at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and considers reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition

2.12.5. Reclassification of financial assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

2.12.6. Derecognition of financial assets

The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If [the Company] the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

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 recognized in other comprehensive income and accumulated in equity is recognized in profit or loss if such gain or loss would have otherwise been recognized in profit or loss on disposal of that financial asset.

On derecognition of a financial asset other than in its entirety (e.g., when the Company retains an option to repurchase part of a transferred asset), [the Company] the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income 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. A cumulative gain or



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loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

2.12.7. Modification of Cash Flows of financial assets and revision in estimates of Cash flows

When the contractual cash flows of a financial asset are renegotiated or otherwise modified and the renegotiation or modification does not result in the derecognition of that financial asset in accordance with Ind AS 109, the Company recalculates the gross carrying amount of the financial asset and recognizes a modification gain or loss in profit or loss. The gross carrying amount of the financial asset is recalculated as the present value of the renegotiated or modified contractual cash flows that are discounted at the financial asset's original effective interest rate. Any costs or fees incurred are adjusted to the carrying amount of the modified financial asset and are amortized over the remaining term of the modified financial asset.

If the Company revises its estimates of payments or receipts (excluding modifications and changes in estimates of expected credit losses), it adjusts the gross carrying amount of the financial asset or amortized cost of a financial liability to reflect actual and revised estimated contractual cash flows. The Company recalculates the gross carrying amount of the financial asset or amortized cost of the financial liability as the present value of the estimated future contractual cash flows that are discounted at the financial instrument's original effective interest rate. The adjustment is recognized in profit or loss as income or expense.

2.13 Financial liabilities and equity instruments -

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

2.13.1. Classification as debt or equity

Debt and equity instruments issued by a 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.

2.13.2. Financial liabilities

All financial liabilities are subsequently measured at amortized cost using the effective interest method

2.13.3. Financial liabilities subsequently measured at amortised cost

Financial liabilities are measured at amortized cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortized cost are determined based on the effective interest method. Interest expense that is not capitalized as part of costs of an



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asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortized 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.

2.13.4. Derecognition of financial liabilities

The Company derecognizes 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 (whether or not attributable to the financial difficulty of the debtor) 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 derecognized and the consideration paid and payable is recognized in profit or loss.

2.14 Cash and cash equivalents

The statement of cash flows shows the changes in cash and cash equivalents arising during the year from operating activities, investing activities and financing activities

The cash flows from operating activities are determined by using the indirect method. Net income is therefore adjusted by non-cash items, such as measurement gains or losses, changes in provisions, impairment of property, plant and equipment and intangible assets, as well as changes from receivables and liabilities. In addition, all income and expenses from cash transactions that are attributable to investing or financing activities are eliminated. Interest received or paid is classified as operating cash flows

The cash flows from investing and financing activities are determined by using the direct method.

2.15 Earnings Per Share :

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares outstanding during the period.

Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date.



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Dilutive potential equity shares are determined independently for each period presented.

2.16 Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. 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.

The amount recognized 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).

NOTE NO. 3

3.1 Critical accounting judgments

The preparation of Financial Statements in conformity with the recognition and measurement principles of Ind AS requires management to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosures of contingent liabilities at the date of the Financial Statements and the reported amounts of income and expenses for the periods presented.

Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Actual results could differ from these estimates. In case the actual results are different those from estimates, the effect thereof is given in the financial statements of the period in which the events materialize. Any change in such estimates is accounted prospectively.

The matters to be disclosed will be dictated by the circumstances of the individual entity, and by the significance of judgements and estimates made to the performance and financial position of the entity. Instead of disclosing this information in a separate note, it may be more appropriate to include such disclosures in the relevant asset

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and future periods are affected.



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3.2 Key sources of estimation of uncertainty

Key source of estimation of uncertainty at the date of Financial Statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, is in respect of :

a) Periodical Major Maintenance

The management, estimates expenditure w.r.t periodic major maintenance by using a model that incorporates a number of assumptions, including the life of the concession agreement, annual traffic growth and the expected cost of the periodic major maintenance which are considered as reasonable by the management.

b) Recovery of Claim filed with Authority

The management estimates the quantum and timing of claim which is expected to be received from the Authority based on the independent opinion from independent techno-commercial expert

c) Fair value measurement of financial instruments

When the fair values 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 valuation techniques including the DCF 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. Refer Note 34 for further disclosures.

3.3 Standard Issued but not yet effective

The Ministry of Corporate Affairs (MCA), on 28 March 2018, notified Ind AS 115, Revenue from Contracts with Customers, as part of the Companies (Indian Accounting Standards) Amendment Rules, 2018. The new standard is effective for accounting periods beginning on or after 1 April 2018. Since the company is in annuity project there will be no material impact on revenue accounting followed by the company.

a) **Ind AS 116 Leases:**

On March 31, 2020, Ministry of Corporate Affairs has notified Ind AS 116, Leases which will replace the existing lease Standard, Ind AS 17 Leases, and related Interpretations.

The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than twelve months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the statement of Profit & Loss. The Standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.



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The effective date for adoption of Ind AS 116 is annual periods beginning on or after April 1, 2019. The Company does not have any impact on account of this amendment.

b) Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments:

On March 31, 2020, Ministry of Corporate Affairs has notified Ind AS 12 Appendix C, Uncertainty over Income Tax Treatments which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to the appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, that the companies have used or plan to use in their income tax filing which has to be considered to compute the most likely amount or the expected value of the tax treatment when determining taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates. The effective date for adoption of Ind AS 12 Appendix C is annual periods beginning on or after April 1, 2019. The Company does not have any impact on adoption of Ind AS 12 Appendix C.

c) Amendment to Ind AS 12 – Income taxes

On March 31, 2020, Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, 'Income Taxes', in connection with accounting for dividend distribution taxes. The amendment clarifies that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company does not have any impact this amendment on its financial statements.

d) Amendment to Ind AS 19 – plan amendment, curtailment or settlement

On March 31, 2020, Ministry of Corporate Affairs issued amendments to Ind AS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements. The amendments require an entity to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling. Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Company does not have any impact on account of this amendment.



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Notes forming part of the Financial Statements for the Year ended March 31, 2020

4. Other financial assets (Unsecured, considered good unless otherwise mentioned)

₹ in Millions

Particulars	As at March 31, 2020		As at March 31, 2019	
	Non Current	Current	Non Current	Current
Receivable under service concession arrangements	7,750.59	454.64	8,260.62	498.97
Claim & others receivable from authority	-	-	-	2,521.49
Interest accrued - Others	-	25.41	-	-
Security Deposits - Others	0.00	-	0.00	-
Total	7,750.60	480.05	8,260.62	3,020.46

Foot Note

During the year the company has pursuant to the outcome of the conciliation meeting with NHAI received the amount of claims which have been duly accounted for against the claim receivable from NHAI.

5. Cash and cash equivalents

For the purposes of the statement of cash flows, cash and cash equivalents include cash on hand and in banks, net of outstanding bank overdrafts. Cash and cash equivalents at the end of the reporting period as shown in the statement of cash flows can be reconciled to the related items in the balance sheet as follows:

₹ in Millions

Particulars	As at March 31, 2020	As at March 31, 2019
Balances with Banks		
In current accounts	153.43	56.36
In term deposit accounts (Having Maturity Less than 3 Months)	14.00	14.00
Cash on hand	-	-
Others	-	-
Cash and cash equivalents	167.43	70.36
Balances with Banks		
In term deposit accounts - Foot Note (i) (Having Maturity more than 3 Months but less than 1 year)	3,685.14	-
Other bank balances	3,685.14	-

Footnotes:

(i) The Company has pledged its short-term deposits amounting to Rs. 2397.44 mn lien marked in favour of Debenture Trustee.

(ii) For the purpose of the statement of cash flows, cash and cash equivalents comprise the following :

₹ in Millions

Particulars	As at March 31, 2020	As at March 31, 2019
Cash and cash equivalents	167.43	70.36
Cash and cash equivalents for statement of cash flows	167.43	70.36

6. Other assets (Unsecured, considered good unless otherwise mentioned)

₹ in Millions

Particulars	As at March 31, 2020		As at March 31, 2019	
	Non Current	Current	Non Current	Current
Indirect tax balances / Receivable credit	-	0.89	-	13.99
Others assets	-	5.49	-	28.96
Unbilled Revenue - Receivable	-	3.40	-	-
Total	-	9.78	-	42.95

7. Other Current Investments

₹ in Millions

Particulars	As at March 31, 2020		As at March 31, 2019	
	Units (in numbers)	Amount in Millions	Units (in numbers)	Amount in Millions
Quoted Investments				
Investment in Mutual Funds-BOI AXA Liquid Fund-Reg(G)	1,17,275	266.07	1,28,014	274.11
Investment in Mutual Funds-UTI LIQUID Cash Plan	3,23,191	1,046.30	3,22,986	985.09
TOTAL INVESTMENTS (A)		1,312.37		1,259.20
Less : Aggregate amount of impairment in value of investments (B)		-		-
TOTAL INVESTMENTS CARRYING VALUE (A) - (B)		1,312.37		1,259.20
Aggregate market value of quoted investments		1,312.37		1,259.20

Investment of Rs 1,311.28 Mn are lien marked in favour of Debenture Trustee.



JORABAT SHILLONG EXPRESSWAY LIMITED

Notes forming part of the Financial Statements for the Year ended March 31, 2020

8. Equity Share Capital

Particulars	As at March 31, 2020		As at March 31, 2019	
	Number of shares	₹ in Millions	Number of shares	₹ in Millions
Authorised				
Equity Shares of ₹ 10/- each fully paid	8,50,00,000	850.00	8,50,00,000	850.00
Issued, Subscribed and Paid up Equity Shares of ₹ 10/- each fully paid	8,40,00,000	840.00	8,40,00,000	840.00
Total	8,40,00,000	84,00,00,000	8,40,00,000	840.00

8.1 Reconciliation of the number of equity shares outstanding at the beginning and at the end of the year :

Particulars	Year ended March 31, 2020		Year ended March 31, 2019	
	Number of shares	₹ in Millions	Number of shares	₹ in Millions
Shares outstanding at the beginning of the year	8,40,00,000	840.00	8,40,00,000	840.00
Shares issued during the year	-	-	-	-
Shares outstanding at the end of the year	8,40,00,000	840.00	8,40,00,000	840.00

8.2 Details of shares held by each shareholder holding more than 5% shares

Equity Shareholder	As at March 31, 2020		As at March 31, 2019	
	Number of shares held	% holding in the class of shares	Number of shares held	% holding in the class of shares
<u>Fully paid equity shares</u>				
IL&FS Transportation Networks Limited	8,40,00,000	100%	8,40,00,000	100%
Total	8,40,00,000	100%	8,40,00,000	100%

9. Other Equity

Particulars	₹ in Millions	
	As at March 31, 2020	As at March 31, 2019
Debenture redemption reserve		
Balance at beginning of the year	-	-
(+) Created during the year	816.15	-
(-) Written back in current year	-	-
Others	-	-
Balance at end of the year	816.15	-
Retained earnings		
Balance at beginning of year	(4,134.46)	538.89
Profit / (Loss) attributable to owners of the Company	887.30	(4,673.35)
Transfer (to) / from debenture redemption reserve	(816.15)	-
Balance at end of the year	(4,063.32)	(4,134.46)
Total	(3,247.17)	(4,134.46)

Footnote :

a. Amount transferred to Debenture Redemption Reserves represents the amount required to be transferred to DRR in respect of which the investments in earmarked funds is yet to be made.



10. Borrowings at amortised cost

₹ in Millions

Particulars	As at March 31, 2020			As at March 31, 2019		
	Long-term	Current portion	Short-term	Long-term	Current portion	Short-term
Secured – at amortised cost						
(i) Bonds / debentures						
- from other parties	7,901.49	-	-	7,901.49	-	-
(ii) Term loans						
- from banks	-	-	-	-	-	-
Unsecured – at amortised cost						
(i) Term loans						
- from related parties	-	-	5,415.39	-	-	5,415.39
Total	7,901.49	-	5,415.39	7,901.49	-	5,415.39
Less: Current maturities of long term debt clubbed under "other current liabilities"						
Total	7,901.49	-	5,415.39	7,901.49	-	5,415.39

₹ in Millions

Particulars	As at March 31, 2020			As at March 31, 2019		
	Long-term	Current portion	Short-term	Long-term	Current portion	Short-term
Secured – at amortised cost						
(i) Bonds / debentures						
- from related parties	8,136.31	-	-	8,136.31	-	-
- from other parties	-	-	-	-	-	-
(ii) Term loans						
(i) Term loans						
- from related parties (Refer Note 25)	-	-	5,415.39	-	-	5,415.39
Total	8,136.31	-	5,415.39	8,136.31	-	5,415.39

Less Unamortised Cost :

₹ in Millions

Particulars	As at March 31, 2020			As at March 31, 2019		
	Long-term	Current portion	Short-term	Long-term	Current portion	Short-term
Secured – at amortised cost						
(i) Bonds / debentures						
- from other parties	234.82	-	-	234.82	-	-
(ii) Term loans						
- from banks	-	-	-	-	-	-
Total	234.82	-	-	234.82	-	-

Foot Note:

The Company has issued and allotted 88336 Secured, Redeemable, Listed, Non-Convertible Debentures, in the form of Separately Transferable Redeemable Principal Parts (the "Debentures") of the face value of Rs. 1,00,000/- (Rupees One Lakh only) each, amounting to up to Rs. 883.36 Crore on Private Placement Basis,

comprising:

(i) 64,120 redeemable, listed, rated, secured non-convertible senior (as per the terms and conditions set forth in the Debenture Documents) debentures aggregating to up to INR 641,20,00,000 (Rupees Six Hundred Forty One Crores and Twenty Lakhs only) ("Series I Debentures" or "Senior Debentures"); and

(ii) 24,216 redeemable, listed, rated, secured nonconvertible junior (as per the terms and conditions set forth in the Debenture Documents) debentures aggregating to up to INR 242,16,00,000 (Rupees Two Hundred Forty Two Crores and Sixteen Lakhs only) ("Series II Debentures" or "Junior Debentures")

First charge on all the following assets of the Company in favour of the Debenture Trustee, acting for the benefit of the Subscriber ("Security") for Series I:

(i) Hypothecation/Mortgage of all movable, tangible and intangible assets, receivables, current assets, loans & advances, cash and investments created as part of the Projects to the extent permissible under the Concession Agreements;

(ii) A first charge on the Escrow Accounts and the Escrow Sub-accounts maintained by the Issuer, all monies lying in Escrow Accounts and the Escrow Sub-accounts including DSRA and the Major Maintenance Reserve/s, into which all the Project revenues, (excluding claims made towards cost overrun in the Project), All monies received from the Authority, including that under the Concession Agreement, and including all Annuities, All monies / refunds received from O&M contractor/s, All monies/ refunds received due to any revocation of any Contingent Liability, All Insurance proceeds, including Insurance claims settlement and insurance premium refunds etc., Refund of any statutory dues including all tax refunds, All Termination payments made by Authority, are deposited.

(iii) Assignment of the rights, title, benefits, and demands of JSEL under Project documents, to the extent covered by and in accordance with the Substitution Agreement/s as per each Concession Agreements;

(iv) Assignment of all rights under Project guarantees and undertakings obtained pursuant to construction contract, service and operations contract, if any.



2. The details of Unsecured Redeemable Non-Convertible Debentures [NCDs] :

Series of NCDs	Face value per NCD (₹)	Rate of interest % p.a.	Terms of repayment	Date of redemption	No. of NCDs issued	No. of NCDs outstanding 31st March, 2020
JSEL NCD 8.30 SERIES 1STRPP-1 2019	26,136	8	Semi Annually	1-Mar-19	6,604	6,604
JSEL NCD 8.30 SERIES 1STRPP-2 2020	1,00,000	8	Semi Annually	28-Feb-20	3,823	3,823
JSEL NCD 8.30 SERIES 1STRPP -3 2021	1,00,000	8	Semi Annually	1-Mar-21	4,021	4,021
JSEL NCD 8.30 SERIES 1STRPP- 4 2022	1,00,000	8	Semi Annually	1-Mar-22	4,549	4,549
JSEL NCD 8.30 SERIES 1STRPP 5 2023	1,00,000	8	Semi Annually	1-Mar-23	4,282	4,282
JSEL NCD 8.30 SERIES 1STRPP 6 2024	1,00,000	8	Semi Annually	1-Mar-24	4,619	4,619
JSEL NCD 8.30 SERIES 1STRPP 7 2025	1,00,000	8	Semi Annually	28-Feb-25	4,942	4,942
JSEL NCD 8.30 SERIES 1 STRPP 8 2026	1,00,000	8	Semi Annually	27-Feb-26	6,119	6,119
JSEL NCD 8.30 SERIES 1 STRPP 9 2027	1,00,000	8	Semi Annually	1-Mar-27	6,582	6,582
JSEL NCD 8.30 SERIES 1 STRPP 10 2028	1,00,000	8	Semi Annually	1-Mar-28	6,177	6,177
JSEL NCD 8.30 SERIES 1 STRPP 11 2029	1,00,000	8	Semi Annually	1-Mar-29	6,599	6,599
JSEL NCD 8.30 SERIES 1 STRPP 12 2030	1,00,000	8	Semi Annually	31-Jan-30	5,803	5,803
JSEL NCD 8.45 SERIES 2 STRPP 1 2019	26,133	8	Semi Annually	1-Mar-19	2,495	2,495
JSEL NCD 8.45 SERIES 2 STRPP 2 2020	1,00,000	8	Semi Annually	28-Feb-20	1,444	1,444
JSEL NCD 8.45 SERIES 2 STRPP 3 2021	1,00,000	8	Semi Annually	1-Mar-21	1,519	1,519
JSEL NCD 8.45 SERIES 2 STRPP 4 2022	1,00,000	8	Semi Annually	1-Mar-22	1,718	1,718
JSEL NCD 8.45 SERIES 2 STRPP 5 2023	1,00,000	8	Semi Annually	1-Mar-23	1,618	1,618
JSEL NCD 8.45 SERIES 2 STRPP 6 2024	1,00,000	8	Semi Annually	1-Mar-24	1,744	1,744
JSEL NCD 8.45 SERIES 2 STRPP 7 2025	1,00,000	8	Semi Annually	28-Feb-25	1,866	1,866
JSEL NCD 8.45 SERIES 2 STRPP 8 2026	1,00,000	8	Semi Annually	27-Feb-26	2,311	2,311
JSEL NCD 8.45 SERIES 2 STRPP 9 2027	1,00,000	8	Semi Annually	1-Mar-27	2,485	2,485
JSEL NCD 8.45 SERIES 2 STRPP 10 2028	1,00,000	8	Semi Annually	1-Mar-28	2,333	2,333
JSEL NCD 8.45 SERIES 2 STRPP 11 2029	1,00,000	8	Semi Annually	1-Mar-29	2,492	2,492
JSEL NCD 8.45 SERIES 2 STRPP 12 2030	1,00,000	8	Semi Annually	31-Jan-30	2,191	2,191
Total					88,336	88,336

3. Age-wise analysis and Repayment terms of the Company's Long term Borrowings are as below:

Particulars	₹ in Millions			
	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
	₹	₹	Frequency of Repayment*	Frequency of Repayment*
Less than 1 year	1,543.10	462.40	Semi Annually	Quarterly
1-3 Years	1,216.70	1,707.40	Semi Annually	Quarterly
3 to 5 years	1,317.10	1,226.30	Semi Annually	Quarterly
5+ years	4,309.20	4,990.00	Semi Annually	Quarterly
Total	8,386.10	8,386.10		

This is based on the contracted terms of repayment notwithstanding the outcome of NCLAT as referred in Note no 36

4. The company has not booked the finance expense from 16th October 2018 to 31st March 2020 which approximates INR 1802.97 Million. This amount is based on the contractual agreed terms and excludes penal/other interest and charges.

5. Loan from related Parties:

Amounts repayable to related parties of the Company as per the respective loan document. Interest of 15.5% - 16.5% per annum is charged on the outstanding loan balances till 15 Oct 2018 (as at March 31, 2018: 15.5% - 16.5% per annum). Accrual of interest after 15th October 2018 has been suspended as per NCLAT order. (Refer Note 36)

The tenure of loan have expired and the respective agreement are to be renewed.



JORABAT SHILLONG EXPRESSWAY LIMITED

Notes forming part of the Financial Statements for the Year ended March 31, 2020

11. Other financial liabilities

₹ in Millions

Particulars	As at March 31, 2020		As at March 31, 2019	
	Non Current	Current	Non Current	Current
Current maturities of long-term debt	-	-	-	-
Interest accrued due				
- from related parties	-	257.58	-	257.58
- On NCD	-	83.93	-	83.93
Interest accrued and not due				
- from related parties	-	20.23	-	20.23
Payable on account of capital assets related party	-	1,750.35	-	1,764.68
Other current liabilities	-	17.99	-	14.34
Total	-	2,130.08	-	2,140.76

12. Other liabilities

₹ in Millions

Particulars	As at March 31, 2020		As at March 31, 2019	
	Non Current	Current	Non Current	Current
Statutory dues		0.72		2.65
Total	-	0.72	-	2.65

13. Trade payables

₹ in Millions

Particulars	As at March 31, 2020		As at March 31, 2019	
	Non Current	Current	Non Current	Current
Trade payables other than MSME				
-Retention Money Related Party	512.57		509.25	
-Trade Payable Related Party		30.15		30.15
-Trade Payable others				
Total	512.57	30.15	509.25	30.15

Footnote : Based on information received by the Company from its vendors, the amount of principal outstanding in respect of MSME as at Balance Sheet date covered under the Micro, Small and Medium Enterprises Development Act, 2006 is ₹ NIL. There were no delays in the payment of dues to Micro and Small Enterprises.

14. Current tax assets and liabilities

₹ in Millions

Particulars	As at March 31, 2020		As at March 31, 2019	
	Non Current	Current	Non Current	Current
Current tax assets				
Advance payment of taxes	177.86	36.07	65.32	22.37
Total	177.86	36.07	65.32	22.37
Current tax liabilities				
Provision for tax		36.07		36.07
Total	-	36.07	-	36.07

Provision for tax AY 2018-19	
AY 2018-19	36.07
Tax Deducted at Source	
AY 2020-21	126.24
AY 2019-20	17.24
AY 2018-19	36.12
AY 2017-18	29.00
AY 2013-14	0.50
	209.11
Advance Tax	
AY 2013-14	0.87
Tax on Regular Assessment	
AY 2011-12	1.00
AY 2012-13	2.47
AY 2014-15	0.48



JORABAT SHILLONG EXPRESSWAY LIMITED

Notes forming part of the Financial Statements for the Year ended March 31, 2020

15. Revenue from operations

Particulars	₹ in Millions	
	Year ended March 31, 2020	Year ended March 31, 2019
(a) Operation and maintenance income	113.58	105.06
(b) Finance income	825.02	803.52
(c) Construction income	11.69	172.13
(d) Overlay income	28.41	34.24
(e) Additional Construction Work - Change of Scope	3.40	-
Total	982.10	1,114.94

16. Other Income

Particulars	₹ in Millions	
	Year ended March 31, 2020	Year ended March 31, 2019
Interest on bank deposits (at amortised cost)	44.99	3.38
Modification Gain	9.63	-
Mark to Market Gain on Investment	73.27	34.34
Profit on sale of investment (net)	3.41	29.36
Total	131.30	67.08

17. Cost of Material Consumed & Construction Cost

Particulars	₹ in Millions	
	Year ended March 31, 2020	Year ended March 31, 2019
Construction contract costs	10.66	159.74
Additional Construction Work - Change of Scope	3.40	-
Overlay Expenses	-	-
Total	14.06	159.74

Footnote:

Construction contract cost is net of realisation of dues from NHAI of Rs 6.41 mn towards change of scope

18. Operating Expenses

Particulars	₹ in Millions	
	Year ended March 31, 2020	Year ended March 31, 2019
Operation and maintenance expenses	103.58	97.07
Periodic maintenance expenses	25.91	32.32
Total	129.48	129.39

19. Employee benefits expense

Particulars	₹ in Millions	
	Year ended March 31, 2020	Year ended March 31, 2019
Salaries and Wages	-	0.15
Total	-	0.15

20. Finance costs

Particulars	₹ in Millions	
	Year ended March 31, 2020	Year ended March 31, 2019
(a) Interest costs	-	-
Interest on debentures	-	348.45
Interest on loans from related parties	-	308.74
Modification Loss	-	1,805.76
Finance charges	0.72	39.31
Total (a+b+c+d)	0.72	2,502.26

In view of imposition of moratorium by NCLAT vide its order dated 15th Oct 2018, the company have not made provision for interest on funds borrowed. Details of the same is as under:



JORABAT SHILLONG EXPRESSWAY LIMITED

Notes forming part of the Financial Statements for the Year ended March 31, 2020

	16-10-2018 to 31-03-19	1-4-2019 to 31-03-20
Interest due to		
ILFS AIRPORT	120.11	263.24
STAMP	45.39	99.47
SABARMATI	42.55	93.25
ROHTAS BIO ENERGY LTD	45.39	99.47
NCD		
JR	86.50	189.57
Sr	224.97	493.06
Total	564.91	1,238.06

21. Provision for Impairment of Financial assets

₹ in Millions

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Provision for Impairment of Financial assets	-	1,622.84
Total depreciation and amortisation	-	1,622.84

22. Other expenses

₹ in Millions

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Legal and consultation fees	4.09	52.07
Independent Engineer Fees	10.83	14.00
Telephone Expenses	0.24	0.19
Travelling and conveyance	0.02	0.00
Rates and taxes	0.48	0.72
Directors' fees	-	0.28
Damages recovered by Authority	65.41	-
Payment to auditors	0.74	0.72
Miscellaneous expenses	0.04	0.35
Total	81.85	68.33

22.1 Payments to auditors

₹ in Millions

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
a) For audit	0.44	0.45
b) For Tax audit	0.13	-
c) For other services	0.18	0.27
d) For reimbursement of expenses	-	0.00
Total	0.74	0.72

23. Income taxes

23.1 Income tax recognised in profit or loss

₹ in Millions

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Current tax		
In respect of the current period		
In respect of prior period	-	-
Deferred tax		
In respect of the current period	-	-
Total income tax expense recognised in the current period relating to continuing operations	-	-

Footnote:

In view of change in Income Tax Act, for then existing clause (iih) of Explanation 1 to sub-section (2) of section 115JB by the Finance (No. 2) Act, 2019, w.e.f. 1-4-2020, Company does not have any MAT Tax liability for the current year.



JORABAT SHILLONG EXPRESSWAY LIMITED

Notes forming part of the Financial Statements for the Year ended March 31, 2020

24. Earnings per share

Particulars	Unit	Year ended March 31, 2020	Year ended March 31, 2019
Profit for the year attributable to owners of the Company	₹ in Millions	887.30	(4,673.35)
Weighted average number of equity shares	Number	8,40,00,000	8,40,00,000
Nominal value per equity share	₹	10	10
Basic / Diluted earnings per share	₹	10.56	(55.64)



JORABAT SHILLONG EXPRESSWAY LIMITED

Notes forming part of the Financial Statements for the Year ended March 31, 2020

25. Financial instruments

25.1 Capital management

The company manages its capital to ensure that it will be able to continue as going concern while maximising the return to stakeholders through the optimisation of the debt and equity balance.

The company is not subject to any externally imposed capital requirements.

25.1.1 Gearing ratio

The gearing ratio at end of the reporting period was as follows

₹ in Millions

Particulars	As at March 31, 2020	As at March 31, 2019
Debt (i)	13,316.88	13,316.88
Cash and bank balances (including cash and bank balances held for sale)	167.43	70.36
Net debt	13,149.45	13,246.52
Equity (ii)	(2,407.17)	(3,294.46)
Net debt to equity ratio	(5.46)	(4.02)

25.2 Categories of financial instruments

₹ in Millions

Particulars	As at March 31, 2020	As at March 31, 2019
Financial assets		
Cash and bank balances (including cash and bank balances in a disposal company held for sale)	167.43	70.36
Investments	1,312.37	1,259.20
Receivable Under Service Concession Arrangement	8,205.24	8,759.59
Others	25.41	2,521.49
Total	9,710.45	12,610.64
Financial liabilities		
Borrowings (including Interest Accrued)	13,678.62	13,678.62
Other financial liabilities	2,311.06	2,307.73

The company's exposures to interest rates on financial assets and financial liabilities are detailed in the liquidity risk management section of this note.

25.3.1 Interest rate sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to interest rates for both derivatives and non-derivative instruments at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

If interest rates had been 50 basis points higher/lower and all other variables were held constant, the company's profit for the year ended March 31, 2020 would increase/decrease by Rs 66.58 Mn/-

25.4 Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the company. The company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults. The company only transacts with entities that are rated the equivalent of investment grade and above. This information is supplied by independent rating agencies where available and, if not available, the company uses other publicly available financial information and its own trading records to rate its major customers. The company's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties. Credit exposure is controlled by counterparty limits that are reviewed and approved by the risk management committee annually.

25.5 Liquidity risk management

25.5.1 Liquidity and interest risk tables

₹ in Millions

The following table details the company's financial liabilities without calculating future interest there on. Future interest and expected maturity of these financial instrument could not be disclosed as it is undetermined due to NCLT order (refer Note 35)

Particulars	As at March 31, 2020			As at March 31, 2019		
	Non-interest bearing	Variable interest rate instruments	Fixed interest rate instruments*	Non-interest bearing	Variable interest rate instruments	Fixed interest rate instruments
Financial Liability						
Borrowing (Inc Acrr Interest & Current Maturity)			13,678.62			13,678.62
Trade Payable	542.72			539.39		
Others Financial Liabilities	1,768.34			1,768.34		



JORABAT SHILLONG EXPRESSWAY LIMITED

Notes forming part of the Financial Statements for the Year ended March 31, 2020

26. Related Party Disclosures

(a) Name of the Related Parties and Description of Relationship:

Nature of Relationship	Name of Entity	Abbreviation used	For F.Y. 2019- 20	For F.Y. 2018- 20
Holding Company	IL&FS Transportation Networks Limited w.e.f. August 16, 2018	ITNL	Yes	Yes
Jointly Controlled Entities - Direct (Entities having joint control)	IL&FS Transportation Networks Limited (Up to August 16 2018)	ITNL	No	Yes
	Ramky Infrastructure Limited (Up to August 16 2018)	RIL	No	Yes
Holding Company of ITNL	Infrastructure Leasing & Financial Services Limited	IL&FS	Yes	Yes
Directors & Key Management Personnel ("KMP")	Mr. Aalok Anandmani :- Resigned as on 30/09/2018	Manager	No	Yes
	Mr. Sunil Rai :- Appointed w.e.f. 22/10/2019	Manager	Yes	No
	Mr. Makarand Sahasrabudhe Resigned as on 26/09/2018	CFO	No	Yes
	Mr. Milan Chakravarti:- Resigned as on 24/12/2018	Independent Director	No	Yes
	Mr. Yancharla Ratnakara Nagaraja:- Resigned as on 16/08/2018	Director	No	Yes
	Mr. Goutam Mukherjee:- Resigned as on 24/12/2018	Independent Director	No	Yes
	Mr. Subhash Chandra Sachdev:- Resigned as on 20/03/2019	Director	No	Yes
	Mr. Vijay Kini	Director	Yes	Yes
	Mr. Sanikommu Srikanthreddy:- Resigned as on 16/08/2018	Director	No	Yes
	Mr. M. B. Bajulge:- Resigned as on 05/04/2019	Director	Yes	Yes
	Mr. Divakar Marri:- Resigned as on 27/07/2018	Director	No	Yes
	Mr. Rajnish Saxena	Director	No	Yes
	Mr. H.K. Labh:- Resigned as on 03/09/2019	Director	No	Yes
Mr. Sachin Joshi :- Appointed w.e.f. 04/10/2019	Director	Yes	No	
Fellow Subsidiaries of ITNL (Only with whom there have been transaction during the period/ there was balance outstanding at the year end))	IL&FS Airport Limited	IAPL	Yes	Yes
	Livia India Limited	LIVIA	Yes	Yes
	Sabarmati Capital One Limited	SABARMATI 1	Yes	Yes
	Skill Training Assessment Management Partners Ltd.	STAMP	Yes	Yes
	Rohtas Bio Energy Limited	RBEL	Yes	Yes
	IL&FS Financial Services Limited	IFIN	Yes	Yes
	Elsamex Maintenance Services Limited	EMSL	Yes	Yes



JORABAT SHILLONG EXPRESSWAY LIMITED
Notes forming part of the Financial Statements for Year ended March 31, 2020

26. Related Party Disclosures (contd.)

(b) transactions/ balances with above mentioned related parties (mentioned in note 26 above)

Year ended March 31, 2020

					₹ in Millions
Particulars	Company's Name	Ultimate Holding Company	Fellow Subsidiaries of ITNL	Holding Company	Total
Balance					
Creditors payable	ITNL	-	-	1,693.33	1,693.33
Creditors payable	Elsamex	-	19.82	-	19.82
Share Capital	ITNL	-	-	840.00	840.00
Retention Money payable	ITNL	-	-	512.57	512.57
Mobilisation Advance	ITNL	-	-	14.53	14.53
Short Term Loan	ITNL	-	-	1,978.39	1,978.39
Interest Payable on STL	LIVIA	-	45.00	-	45.00
Fees payable	IL&FS	10.27	-	-	10.27
Fees payable	IFIN	-	71.59	-	71.59
Short Term Loan	SABARMATI 1	-	600.00	-	600.00
Interest Payable on STL	SABARMATI 1	-	45.40	-	45.40
Short Term Loan	STAMP	-	620.00	-	620.00
Interest Payable on STL	STAMP	-	56.12	-	56.12
Short Term Loan	IAPL	-	1,597.00	-	1,597.00
Interest Payable on STL	IAPL	-	82.91	-	82.91
Interest Payable on STL	RBEL	-	48.38	-	48.38
Short Term Loan	RBEL	-	620.00	-	620.00
Transactions					
Road Development cost charge	ITNL	-	-	10.66	10.66
Deputation Cost	ITNL	-	-	2.73	2.73
OPE	ITNL	-	-	0.03	0.03
OPE	IFIN	-	0.04	-	0.04
Operation & Maintenance Cost	Elsamex	-	101.11	-	101.11
Utility Invoice	Elsamex	-	3.08	-	3.08
Major Maintenance cost	Elsamex	-	25.91	-	25.91

Year ended March 31, 2019

					₹ in Millions
Particulars	Company's Name	Ultimate Holding Company	Fellow Subsidiaries of ITNL	Joint Arrangements	Total
Balance					
Balance					
Creditors payable	ITNL	-	-	1,678.94	1,678.94
Creditors payable	Elsamex	-	156.25	-	156.25
Share Capital	ITNL	-	-	840.00	840.00
Retention Money payable	ITNL	-	-	512.09	512.09
Short Term Loan	ITNL	-	-	1,978.39	1,978.39
Interest Payable on STL	LIVIA	-	45.00	-	45.00
Fees payable	IL&FS	10.27	-	-	10.27
Fees payable	IFIN	-	71.55	-	71.55
Short Term Loan	SABARMATI 1	-	600.00	-	600.00
Interest Payable on STL	SABARMATI 1	-	45.40	-	45.40
Short Term Loan	STAMP	-	620.00	-	620.00
Interest Payable on STL	STAMP	-	56.12	-	56.12
Short Term Loan	IAPL	-	1,597.00	-	1,597.00
Interest Payable on STL	IAPL	-	82.91	-	82.91
Interest Payable on STL	RBEL	-	48.38	-	48.38
Short Term Loan	RBEL	-	620.00	-	620.00
Transactions					
Road Development cost charge	ITNL	-	-	148.29	148.29
Overlay Charges	ITNL	-	-	32.96	32.96
Operation & Maintenance Cost	Elsamex	-	-	14.20	14.20
Operation & Maintenance Cost	ITNL	-	-	65.86	65.86
Short Term Loan Taken	ITNL	-	-	826.56	826.56
Claim Management Fees	ITNL	-	-	33.33	33.33
Interest on Short Term Loan	LIVIA	-	50.00	-	50.00
Interest on Short Term Loan	RBEL	-	53.81	-	53.81
Interest on Short Term Loan	SABARMATI 1	-	50.45	-	50.45
Interest on Short Term Loan	IAPL	-	92.12	-	92.12
Loan Taken	IAPL	-	1,400.00	-	1,400.00
Loan Repaid	LIVIA	-	1,400.00	-	1,400.00
Short term Loan Repaid	STAMP	-	780.00	-	780.00
Interest on Short Term Loan	STAMP	-	62.36	-	62.36



27. Commitments for expenditure

Particulars	₹ in Millions	
	Year ended March 31, 2020	Year ended March 31, 2019
IL&FS Transportation Networks Limited (a) Estimated amount of contracts remaining to be executed on Operation and Maintenance and not provided for	1,501.20	1,604.66
IL&FS Transportation Networks Limited (b) Estimated amount of contracts remaining to be executed on Overlay expenses and not provided for	986.80	1,012.71

28. Contingent Liability

Contingent Liability in respect of claim filed by creditor is Rs 15.24 Million

Demand received from Income Tax Department :

a) Assessment Year 2016-17 of Rs. 6.47 Crore against which appeal is pending with CIT(A), Mumbai.

b) Assessment Year 2018-19 of Rs. 24.99 Crore against which application for rectification has been filed

29. Segment Information

As the Company operates in a single business as well as geographical segment, disclosures required under INDAS-108 on 'Operating Segment' have not been given.

30. Impairment of Financial Assets

IL & FS Board has been working on a resolution plan, with a view to enable value preservation for stakeholders of IL & FS group. The resolution plan, inter alia, involves sale of assets / business / companies owned by IL & FS Group. Further, in this regard, IL & FS Board on December 21, 2018 invited public Expression of interest (EOI) as part of the divestment process. The holding company received a bid from an external party in respect of the company and the same has been accepted by the Board of Directors of ITNL and IL&FS (the ultimate holding Company). While the final price is subject to various adjustments, the Company has used the bid price to determine the fair value of the asset. Shortfall in the value of the bid as compared to the carrying cost of the assets in the books of the Company as on March 31, 2019 recognized as impairment in the value of these assets in the financial statement during previous year. As the bid being continued, management is of the view that no further impairment is required for FY 2019-20.

31. Order of NCLT for re-opening and re-casting of financial statements :

The National Company Law Tribunal ("NCLT"), vide order dated January 1, 2019, had allowed a petition filed by the Union of India, for re-opening of the books of accounts and re-casting the financial statements under the provisions of Section 130 of the Companies Act, 2013 for the financial years from 2012-13 to 2017-18, of Infrastructure Leasing & Financial Services Limited ("IL&FS"), and its subsidiaries namely IL&FS Financial Services Limited ("IFIN") and IL&FS Transportation Networks Limited ("ITNL"), the parent Company. The said exercise is going on and not yet concluded. Pending completion of the exercise the Management is not able to determine any impact on these financial statements of the Company.

32. Investigations by Serious Fraud Investigation Office ("SFIO") and other regulatory agencies :

The Ministry of Corporate Affairs (MCA), Government of India, has vide its letter dated October 1, 2018 initiated investigation by Serious Fraud Investigation Office (SFIO) against IL&FS and its group companies under Section 212 (1) of the Companies Act, 2013. As a part of its investigation, SFIO has been seeking information from the Company on an ongoing basis. The investigation is in progress and the Company is fully co-operating with the investigating agencies. The implications if any, arising from the aforesaid developments would be known only after the aforesaid matters are concluded and hence are not determinable at this stage.

33. Forensic Examination :

The Board of Directors of IL & FS (ultimate holding Company) in January, 2019 initiated a forensic examination for the period from April 2013 to September 2018, in relation to the certain Companies of the Group, and has appointed an independent third party for performing the forensic audit and to report the findings. The Company is not in the list of Companies identified by the Board of Directors of IL & FS for forensic audit. The independent third party has submitted their interim report in relation to the audit of ITNL (the holding Company) and the observations contained therein related primarily to the operations of ITNL



JORABAT SHILLONG EXPRESSWAY LIMITED

Notes forming part of the Financial Statements for the Year ended March 31, 2020

Given that the report is interim in nature and pending completion of the examination and final report, specific adjustment if any related to the Company arising from the said forensic audit of ITNL, has not been determined. Hence no adjustments have been recorded in these financial statements for any consequential effects / matters that may arise in this regard.

34. Creditors Claim Process :

Pursuant to the "Third Progress Report – Proposed Resolution Framework for the IL&FS Group" dated 17 December, 2018 and the "Addendum to the Third Progress Report – Proposed Resolution Framework for IL&FS Group" dated January 15, 2019 ("Resolution Framework Report") submitted by the Company to the Ministry of Corporate Affairs, Government of India which, in turn, was filed with the Hon'ble National Company Law Appellate Tribunal ("NCLAT"), the creditors of the Company were invited (via advertisement(s) dated May 22, 2019) to submit their claims as at October 15, 2018 with proof, on or before 6 June, 2019 (later extended till June 18, 2020)) to a Claims Management Advisor ("CMA") appointed by the IL&FS Group. The amounts claimed by the financial and operational creditors are assessed for admission by the CMA.

The CMA, vide their various communications to the management of the Company, have submitted their report on the status of the claims received and its admission status. The report is subject to updation based on additional information / clarification that may be received from the creditors in due course.

Management of the Company has reviewed the claims made by third parties with the CMA, and reconciled them with the books of accounts. Such claims have either been provided for, or shown as contingent liabilities if there is a possible obligation on the company. No action is taken if the possibility/probability of outflow is remote.

35. Non-compliance of applicable laws and regulations :

The Company is not in compliance with various laws and regulations, including but not limited to the Companies Act 2013. Management is in the process of evaluating the financial and other consequences arising from such non-compliance and of making a comprehensive assessment of other non-compliances, to determine the impact / consequences, including financial and operational impact, of such non-compliances on the Company. Pending final determination and assessment thereof, no adjustments have been made to these Financial Statements.

However, based on the best assessment made by the management, the same is not likely to have a material impact on the financial statements.

36. Debt servicing:

National Company Law Appellate Tribunal ("NCLAT") had passed an order on October 15, 2018 ("Interim Order") in Company Appeal (AT) 346 of 2018, imposing moratorium on the creditors of IL&FS and its 348 group companies, which includes the Company. Further, NCLAT vide its order dated February 11, 2019 had also classified the Company under the "Amber Category" based on a 12 month cash flow solvency test, indicating it is not in a position to discharge its entire Debt as and when due. Accordingly, the Company is permitted to make only those payments necessary to maintain and preserve the going concern status. This consequently also resulted in downgrade of debt ratings of the Company. NCLAT vide its order dated March 12, 2020, had upheld its interim order of October 15, 2018. The said order specifies October 15, 2018 as the date of initiation of the Resolution Process of the Company. Accordingly the Company has not accrued any interest, default interest, penal interest and any other similar charges after the said cut-off date of October 15, 2018 and also not repaid any principle amount of debt due. Consequently, the amount of unamortised transaction cost has not been amortised in respect of the current year.

37. Modification Loss

Based on the re-assessment of the incurrence of operation and maintenance and periodic maintenance cost there has been a remeasurement of the financial assets of the company. This has resulted into modification gain of Rs 9.63 million (Previous year Loss : Rs 1,805.76 million) in accordance with the principle of IND-AS 109.

38. Claim Settlement

During the current financial year, the company has received the order of Conciliation from NHA1 in respect to various claims preferred by the company. The order has been accepted by the company.



39. Significant accounting judgement, 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 revenue, 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 may require a material adjustment to the carrying amount of assets or liabilities affected in future period.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimates are revised and future periods are affected.

Major aspects where estimates are used for preparation of these financial statements:

Major Maintenance Expenses / Resurfacing Expenses	As per the Service Concession Agreements, the company is obligated to carryout resurfacing of the roads under concession. The company estimates the likely provision required towards resurfacing and accrues the costs on a straight line basis over the period at the end of which resurfacing would be required, in the statement of profit and loss in accordance with Ind AS 37 "Provisions, Contingent Liabilities and Contingent Assets". The same are considered as part of the financial assets model of the company.
Estimation of future costs for Operation & Maintenance, Major Maintenance, expected return etc.	The income in the form of finance income, margin on construction and operation and maintenance costs are based on management estimates for the likely costs which are dependent on price and inflation movements and hence involve significant degree of estimation.

40. Disclosures with regard to Annuity Project (Financial Asset)

Name of the concessionaire	Jorabat Shillong Expressway Limited
Start of concession period under concession agreement (Appointed date)	12-Jan-2011
Location	0/000 to Km 61/800 on Jorabat – Shillong (Barapani) Section of National Hiway No. 40 in state of Assam and Meghalaya
Type of Concession	Design, Build, Finance, Operate and Transfer ("DBFOT")
Length (in lane kms)	Approximately 61.92 Kms
End of concession period under concession agreement	11-Jan-2031
Period of concession since the appointed date	20 years



JORABAT SHILLONG EXPRESSWAY LIMITED

Notes forming part of the Financial Statements for the Year ended March 31, 2020

41. Subsequent Events

No subsequent event has been observed which may require an adjustment to the balance sheet.

42. No provision for current tax has been considered necessary in view of the provisions of Income Tax Act, 1961. No deferred tax assets in respect of brought forward losses has been created in view of there being no certainty of realisation.

43. Approval of financial statements

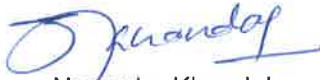
The Financial statements were approved for issue by the Board of Directors at their meeting on 22nd December, 2020.

In terms of our report attached.

For MKPS & Associates

Chartered Accountants

Firm Registration Number-302014E



Narendra Khandal
Partner

Membership Number -065029



Place: Mumbai

Date : 22nd December, 2020

For and on behalf of the Board

Vijay
Pandharinat
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Vijay Pandharinat
Kini
Date: 2020.12.22
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Vijay Kini

Director

DIN:06612768

RAJNISH
SAXENA

Digitally signed
by RAJNISH
SAXENA
Date: 2020.12.22
16:01:22 +05'30'

Rajnish Saxena

Director

DIN:05188337

Place: Mumbai

Date : 22nd December, 2020