

# **JORABAT SHILLONG EXPRESSWAY LIMITED**

## **ANNUAL REPORT**

**2020-21**

**National Stock Exchange of India Limited (NSE):**

'Exchange Plaza', Bandra Kurla Complex,  
Bandra (East), Mumbai - 400 051  
Email ID: [ydeshmukh@nse.co.in](mailto:ydeshmukh@nse.co.in)

**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](mailto: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](mailto: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

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## NOTICE OF THE 11<sup>th</sup> (ELEVENTH) ANNUAL GENERAL MEETING

Notice is hereby given that the 11<sup>th</sup> (Eleventh) Annual General Meeting of the Members of Jorabat Shillong Expressway Limited will be held at shorter notice on Thursday, October 07, 2021 at 12.00 noon., 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:

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### **ORDINARY BUSINESS:**

- (1) To receive, consider and adopt the Audited Financial Statement containing the Balance Sheet as at March 31, 2021 and Statement of Profit & Loss Account, Cash Flow Statement, notes and schedules forming part of the Financial Statement for the year ended March 31, 2021 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, 2021 and Statement of Profit & Loss, Cash Flow Statement, notes and schedules forming part of the Financial Statement for the Financial Year ended 31st March, 2021 together with the Director’s Report and Auditor’s Report thereon be and are hereby received, considered and adopted.”

- (2) To appoint a Director in place of Mr. Vijay Kini (DIN: 06612768), who retires by rotation and being eligible offers himself for re-appointment:

**“RESOLVED THAT** Mr. Vijay Kini (DIN: 06612768), who retires by rotation, and being eligible, offers himself for re-appointment be and is hereby re-appointed as Director of the Company.”

- (3) To appoint M/s K G Somani & Co LLP., Chartered Accountants, (Firm Registration No. 006591N) as the Statutory Auditors of the company for a period of 5 years i.e. FY 2021-22 to FY 2025-26 and to authorise the Board of Directors to fix their remuneration and in this regard, to pass the following resolution as an ordinary resolution thereof:

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“**RESOLVED THAT**, pursuant to Section 139, 142 and other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, M/s K G Somani & Co LLP., Chartered Accountants, (Firm Registration No. 006591N) be and are hereby appointed as the Statutory Auditors of the Company for a period of 5 years to hold office from the conclusion of the this AGM till the conclusion of the AGM of the Company to be held for the Financial Year 2025-26 and the Board of Directors be and are hereby authorized to determine their remuneration.”

## **SPECIAL BUSINESS:**

- (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 2021-22, 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**

October 06, 2021  
Mumbai

SD/-  
**Vijay Kini**  
**Director**  
**DIN: 06612768**

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## **NOTES:**

- (1) In view of the continuing COVID-19 pandemic and considering social distancing norms to be followed, the Ministry of Corporate Affairs (“MCA”) has vide its General Circular No. 14/2020 dated April 8, 2020, Circular No. 17/2020 dated April 13, 2020, Circular No. 20/2020 dated May 5, 2020 and Circular No. 02/2021 dated January 13, 2021 (collectively referred to as “MCA Circulars”) permitted the holding of the Annual General Meeting (“AGM”) through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 (“Act”) and MCA Circulars, the Annual General Meeting of the Company is being held through VC / OAVM.
- (2) In view of the aforementioned, the 11<sup>th</sup> 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](mailto: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



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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](mailto: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:
  - a) This Annual General Meeting shall be called through Video Conferencing mode. Members are requested to participate in the meeting as follows:
    - (i) Please connect to the site by clicking on the following link:  
  

<https://zoom.us/j/91876040878?pwd=YzducUllZnBGoxFUTEFrSTITaE1Sdz09>
    - (ii) Join the Meeting by inserting the details as follows:
      - (i) Meeting ID: 918 7604 0878
      - (ii) Password: 811447
  - 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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## 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:-

<b>Sr. No.</b>	<b>Particulars</b>
<b>Name</b>	Vijay Pandharinath Kini
<b>Age/DOB</b>	31/07/1967
<b>Qualification</b>	AICWAI, M.Com
<b>Experience</b>	Relevant years
<b>Terms and Conditions of Appointment or Re-Appointment</b>	Re-appointed as Non-Executive, Non-Independent Director, liable to retire by rotation
<b>Date of First appointment on the Board</b>	22/01/2015
<b>Shareholding in the Company</b>	10 Equity Shares jointly with IL&FS Transportation Networks Limited
<b>Relationship with other Directors, Manager and KMP</b>	NIL
<b>No. of Board meetings attended during the year</b>	8
<b>Other Directorships</b>	<ol style="list-style-type: none"><li>1. Jorabat Shillong Expressway Limited</li><li>2. Hazaribagh Ranchi Expressway Limited</li><li>3. Jharkhand Road Projects Implementation Company Limited</li><li>4. Thiruvananthpuram Road Development Company Limited</li><li>5. GRICL Rail Bridge Development Company Limited</li><li>6. Ranchi Muri Road Development Limited</li><li>7. East Hyderabad Expressway Limited</li><li>8. Futureage Infrastructure India Limited</li><li>9. M P Toll Roads Limited (Under Liquidation)</li></ol>

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	<p>10. Jharkhand Infrastructure Implementation Co Limited</p> <p>11. Pario Developers Private Limited</p>
<b>Membership in Committees</b>	<p>1. Hazaribagh Ranchi Expressway Limited</p> <p>(i) Audit Committee - Member</p> <p>(ii) Nomination &amp; Remuneration Committee - Member</p> <p>2. East Hyderabad Expressway Limited</p> <p>(i) Audit Committee - Member</p> <p>(ii) Nomination &amp; Remuneration Committee – Member</p> <p>3. Thiruvananthapuram Road Development Company Limited</p> <p>(i) Audit Committee - Member</p> <p>(ii) Nomination &amp; Remuneration Committee – Member</p> <p>4. Jharkhand Road Projects Implementation Company Limited</p> <p>(i) Audit Committee - Member</p> <p>(ii) Nomination &amp; Remuneration Committee – Member</p> <p>5. Jharkhand Infrastructure Implementation Co Limited</p> <p>(i) Audit Committee - Member</p>

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## **EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT 2013**

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### **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) 2021-22.

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 2021-22 is required to be approved by the Members of the Company. Accordingly, the 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**  
**Director**  
**DIN: 06612768**

October 06, 2021  
Mumbai

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

**BOARD'S REPORT**

To,  
**The Shareholders,**  
**Jorabat Shillong Expressway Limited**

Your Directors have pleasure in presenting the Eleventh Annual Report along with the Audited Statements of Accounts for the year ended March 31, 2021.

**FINANCIAL HIGHLIGHTS:**

The financial highlights of the Company are as under:

<b>Particulars</b>	<b>(Rs. Millions)</b>	
	<b>For the Year ended March 31, 2021</b>	<b>For the Year ended March 31, 2020</b>
Total Income	1162.67	1,113.40
Less: Total Expenditure	187.79	225.39
Profit before finance charges, Tax, Depreciation/Amortization (PBITDA)	974.21	887.97
Less : Finance Charges	8.93	0.72
Profit before Depreciation/Amortization (PBTDA)	965.95	887.30
Less : Depreciation	-	-
Net Profit before Taxation (PBT)	965.95	887.30
Provision for taxation	-	-
Profit/(Loss) after Taxation (PAT)	965.95	887.30

**DIVIDEND:**

Considering the business exigencies and to plough back the cash for operations, your Directors have not recommended any dividend for the year ended March 31, 2021.

**RESERVES:**

The Company has not transferred any amount to the Reserves for the financial year ended March 31, 2021.

**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:**

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.

During the year under review, the Company received annuity of ₹ 143.68 Crores against Rs 145.02 Crore from NHAI upon withheld towards delay in certain O&M obligations.

The company received 11<sup>th</sup> annuity payment in the month of July 2021 (i.e Rs 70.35 Cr) with withheld of Rs 2.16 Cr towards delay in certain O&M obligations. Next annuity due date is 28<sup>th</sup> January 2022.

The major maintenance works and slope stabilisation works are in progress from last year at the selected stretches having an estimated cost of approx. Rs 15 Crore which is expected to be completed by Dec 2021.

**UPDATE ON PROPOSED SALE OF THE PROJECT**

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 including your Company.

Pursuant to the recommendations of the Asset Sale Committee ("ASC") of the board of directors of Infrastructure Leasing & Financial Services Limited ("IL&FS"), IL&FS Transportation Networks Limited ("ITNL") Committee of Creditors of ITNL, IL&FS Transportation Networks Limited, the

holding company had entered into the Share Purchase Agreement (“SPA”) for sale of its entire equity holding in the Company on December 10, 2020 with Sekura Roads Limited. (“SRL”) subject to all conditions precedent (including the approval of the NCLT) having been obtained by the long stop date of 180 days from the Agreement Date of 10<sup>th</sup> December 2020 or any extended long stop date agreed to by the parties. Even after the extended long stop date i.e. August 6, 2021, the approval of the NCLT is yet to be received.

However, the SPA has lapsed/expired by efflux of time, as the conditions precedent (including the receipt of approval/ sanction from the NCLT) have not been obtained before the Long Stop Date i.e. August 6, 2021 and the parties have not agreed to extend the Long Stop Date beyond August 6, 2021. In view of the aforementioned, the New Board of IL&FS is evaluating various options.

#### **EXTRACT OF THE ANNUAL RETURN:**

The extract of annual return for the financial year ended March 31, 2021 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:

1. Mr. Vijay Kini
2. Mr. Rajnish Saxena
3. Mr. Mohit Bhasin

During the year under review, Mr. Sachin Joshi, Nominee Director resigned effective July 07, 2020 and Mr. Mohit Bhasin was appointed as Additional Non-Executive Director effective September 02, 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 April 21, 2020, September 10, 2020, September 30, 2020, November 27, 2020, December 22, 2020 and March 30, 2021. 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. Sachin Joshi	1	1
4.	Mr. Mohit Bhasin	5	5

(ii) Directors liable to retire by rotation

Mr. Vijay Kini (DIN: 06612768) 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

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 including constituting the Committee are not applicable to the Company.

(iv) Key Managerial Personnel

During the year under review, Mr. Sunil Kumar Rai, Manager and Key Managerial personnel of the company resigned effective August 31, 2020. Mr. Siddhesh Mahadik was appointed as Company Secretary with effect from April 12, 2021, however he resigned effective July 7, 2021.



**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):**

As the Company has been dispensed with the appointment of Independent Directors, the same is not applicable and hence 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.

**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 11<sup>th</sup> AGM of the Company to be held for FY 2020-21.

It is proposed to appoint M/s. K.G. Somani & Co, as the Statutory Auditors for a period of 5 years commencing from the conclusion of the 11th Annual General Meeting till 16th Annual General Meeting.

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, 2021 are as under:

<b>Sr. No</b>	<b>Qualifications</b>	<b>Responses to Audit Qualifications / observations</b>
<b>1.</b>	<p><u>Basis of Qualified Opinion #1:</u> As mentioned in Note No. 29 of the accompanying financial statements wherein the company has disclosed that it has computed the impairment loss as at March 31, 2019 for its financial assets based on the bid received by the holding company for divestment of its stake in the company, which is based on the enterprise value, which is not in line with the requirements of 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</p>	<p>IL&amp;FS Board has been working on a resolution plan, with a view to enable value preservation for stakeholders of IL&amp;FS group. The resolution plan, inter alia, involves sale of assets / business / companies owned by IL&amp;FS Group. Further, in this regard, IL&amp;FS Board has on December 21, 2018 invited public Expression of interest (EOI) as part of the divestment process. ITNL/IL&amp;FS received a bid from an external party and the same was accepted by the Board of Directors of ITNL and IL&amp;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</p>

	company for the year ended March 31, 2019 & March 31, 2020.	March 31, 2019 was recognized as impairment in the value of these assets in these financial statement.
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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 September 10, 2020 had appointed M/s Chivilkar Solanki & Associates, Cost Accountant as the Cost Auditor of the Company for the FY 2020-21. Mr. Vijay Kumar Solanki of M/s Chivilkar Solanki & Associates, Cost Accountant has confirmed his eligibility for appointment for the FY 2021-22 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 2021-22 to be approved at the ensuing Annual General Meeting.

**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 KDT & Associates, Company Secretaries, Mumbai, in whole-time practice to carry out the Secretarial Audit of the for the Financial Year 2020-21.

The report of the Secretarial Auditor is enclosed as Annexure B. The report contains following observation in their report:

<b>Sr. No</b>	<b>Qualifications</b>	<b>Responses to Audit Qualifications / observations</b>
1.	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	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

	Financial Statements for the Financial Year ended 31st March, 2020 is not signed as per the provisions of the Act.	employees including KMPs. This has also resulted in difficulties in recruitment of Managing Director, CFO and CS by the Company.
2.	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 and E-form MGT-7 for the Financial year 2018-2019 and 2019-2020.	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 KMPs to replace them and hence the Company was not in a position to file the Form INC-22A and other forms with MCA.
3.	The Company has not file E-form MGT-14 for convening Annual General Meeting through electronic mode i.e. video conferencing or any other audio video means held for financial year 2018- 2019 and 2019-2020 as per Circulars issued by Ministry of Corporate Affairs.	The Company is in process of filing the pending forms.
4.	The Disclosures intimating the concern or interest of a Director in any company or companies or bodies corporate, firms, or other association of individuals at the first meeting of the Board in the financial year under review as required under provisions of Section 184 of the Act and rules made thereunder, was received and taken on record in the subsequent meeting’s.	In view of the Covid-19 pandemic and lockdown situation, it was unable to receive the duly signed annual disclosures from the Directors. However, this was discussed and taken note by the Board at the meeting. It was apprehended that this situation will normalise soon and the same will be made available within the next meeting which unfortunately did not happen and the same continued for a prolonged period. However, the same were placed at subsequent meetings and noted.
5.	The Company has not complied with the following regulations as specified under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:	Considering various events and circumstances (including proposed divestment and restructuring) in relation to IL&FS and its group companies (including

	<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</p> <ul style="list-style-type: none"><li>➤ half year ended September-2020 however have submitted the Audited financials on 29th June, 2021 and subsequently have publish the results in English national daily newspaper.</li></ul>	<p>the Company), it was challenging for the Company and its management to prepare and publish financial results of the Company, within the time period(s) prescribed under Regulation 52 of the LODR Regulations. However, the said results was filed with stock exchange dated June 29, 2021.</p>
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**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:**

The Board at the beginning of the Financial Year 2020-21 had accorded its approval for all the Related Party Transactions that the Company contemplates to enter into during the year in accordance with the Related Party Transactions Policy.

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.

**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.

**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, your Company has not issued and allotted any equity shares, at equal or differential voting rights nor has granted any stock option or sweat equity. As on March 31, 2021, none of the directors held instruments that are convertible into Equity Shares of the Company.

**REDEMPTION OF NON-CONVERTIBLE DEBENTURES**

During the year under review the Company has neither issued nor redeemed the existing debentures issued by the Company

Pursuant to the order passed by the National Company Law Appellate Tribunal ("NCLAT") on October 15, 2018 ("Moratorium Order") which inter alia prohibits payment of principal and interest during the moratorium and restricts the actions or proceedings by creditors against IL&FS and its group companies including the Company. Further, NCLAT has passed another order on February 11, 2019 which specifies that the Company has been marked as a 'Amber entity' for which the Moratorium has neither been lifted nor modified in any manner.

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 31<sup>st</sup> March, 2021 is Rs. 816.15 Crores.

**INTERNAL CONTROL SYSTEM:**

The Company has an Internal Control Framework (ICF) in place which comprises of the Standard Operating Procedures for each function and a Risk Control Matrix which identifies the key risks and the Controls implemented to mitigate such risks. The maker checker controls as per the Framework facilitates audit at both the Corporate & Project Levels.

The internal audit is carried out by a firm of Chartered Accountants who report directly to the Board. 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 Internal Auditors perform a quarterly/ annual review in line with the Board approved Internal Audit Plan which 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. The Internal Auditors accordingly in their IA report certify that the internal controls including the Internal Financial Controls are adequate and commensurate with the size and nature of operations, systems and processes laid down by the management are generally adequate and operating effectively and the procedures for reporting significant / material breaches of control to the Management are in place.

**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 2020-21, 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 brief details of significant material orders passed by the Regulators/Courts otherwise stated are mentioned below:

<b>Sr. No.</b>	<b>Parties / Case No.</b>	<b>Adjudicating Authority</b>	<b>Date of Order</b>	<b>Particulars</b>
1	Union of India vs IL&FS and Ors. Company Appeal (AT) No. 346 and 347 of 2018)	National Company Law Appellate Tribunal, New Delhi	March 12, 2020	After considering (a) the proposal of the MCA (as set out in the various affidavits filed with the Hon'ble NCLAT, including those relating to the Resolution Framework); and (b) the objections of the creditors passed an order inter alia: (a) approving the procedures proposed by MCA for resolution of the IL&FS Group;

				<p>(b) accepting October 15, 2018 as the Cut-Off Date for crystallization of claims/liabilities of creditors;</p> <p>(c) directing that the resolution of all entities in the IL&amp;FS Group be concluded preferably within 90 days; and</p> <p>(d) holding that the order dated October 15, 2018 passed by the Hon'ble NCLAT requires no modification/recall and continuing the order dated October 15, 2018.</p> <p>This order dated March 12, 2020 was modified by an order dated March 30, 2020 by the Hon'ble NCLAT in light of the COVID-19 outbreak holding that the period of lockdown will be excluded from the 90 day time period granted by the Hon'ble NCLAT for the resolution of IL&amp;FS.</p>
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**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/-

October 06, 2021  
Mumbai

**Vijay Kini**  
**(DIN: 06612768)**  
**Director**

**Rajnish Saxena**  
**(DIN: 05188337)**  
**Director**

**ANNEXURE A**

**EXTRACT OF ANNUAL RETURN  
As on Financial Year ended on 31.03.2021**

*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

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





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a) Mutual Funds		-	-	-	-	-	-	-	-
b) Banks / FI		-	-	-	-	-	-	-	-
c) Central Govt		-	-	-	-	-	-	-	-
d) State Govt(s)		-	-	-	-	-	-	-	-
e) Venture Capital Funds		-	-	-	-	-	-	-	-
f) Insurance Companies		-	-	-	-	-	-	-	-
g) FIIs		-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds		-	-	-	-	-	-	-	-
i) Others (specify)		-	-	-	-	-	-	-	-
<b>Sub-total (B)(1):-</b>		-	-	-	-	-	-	-	-
<b>2. Non-Institutions</b>									
a) Bodies Corp.		-	-	-	-	-	-	-	-
i) Indian		-	-	-	-	-	-	-	-
ii) Overseas		-	-	-	-	-	-	-	-
b) Individuals		-	-	-	-	-	-	-	-
i) Individual shareholders holding		-	-	-	-	-	-	-	-

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

### 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
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## JSEL

		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	shareholding during the year
1	IL&FS Transportation Networks Limited	8,40,00,000	100%	-	8,40,00,000	100%	-	Nil
	<b>Total</b>	<b>8,40,00,000</b>	<b>100%</b>	<b>-</b>	<b>8,40,00,000</b>	<b>100%</b>	<b>-</b>	<b>Nil</b>

### 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.	<b>Mr. Vijay Kini - Director (joint holding with IL&amp;FS)</b>	At the beginning of the year	5	-	5	-

	<b>Transportation Networks Limited)</b>					
		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)

	<b>Secured Loans excluding deposits</b>	<b>Unsecured Loans</b>	<b>Deposits</b>	<b>Total Indebtedness</b>
<b>Indebtedness at the beginning of the financial year</b>	-	-	-	-
i) Principal Amount	8,161.50	5,415.39	-	13,576.89
ii) Interest due but not paid	83.93	257.58	-	341.51
iii) Interest accrued but not due		20.23	-	20.23
iv) Indas Adjustment - Loan	- 260.01		-	-260.01
v) Indas Adjustment - Interest		-	-	-
<b>Total (i+ii+iii+iv+v)</b>	<b>7,985.42</b>	<b>5,693.21</b>	<b>-</b>	<b>13,678.62</b>

<b>Change in Indebtedness during the financial year</b>				
* Addition	-	-	-	-
* Reduction	-	-	-	-
* Addition -Interest accrued but not due	-	7.60	-	7.60
* Reduction -Interest accrued but not due	-	-	-	-
* Indas Adjustment - Loan	-	-	-	-
* Indas Adjustment - Interest	-	-	-	-
<b>Net Change</b>	-	-	-	-
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	8,161.50	5,415.39	-	13,576.89
ii) Interest due but not paid	83.93	265.19	-	349.12
iii) Interest accrued but not due		20.23	-	20.23
iv) Indas Adjustment - Loan	- 260.01	-	-	-260.01
v) Indas Adjustment - Interest	-	-	-	-
<b>Total (i+ii+iii+iv+v)</b>	<b>7,985.42</b>	<b>5,700.81</b>	<b>-</b>	<b>13,686.23</b>

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-**

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

(Rs, in Million)

<b>Sr. No.</b>	<b>Particulars of Remuneration</b>	<b>Name of MD/WTD/ Manager</b>				<b>Total Amount</b>
-	Gross salary	-	-	-	-	-
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-	-	-

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	(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
1	<b>Independent Directors</b>	-	-	-	-	-	-	-
	Fee for attending board committee meetings	-	-	-	-	-	-	-
	Commission	-	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-	-
	Total (1)	-	-	-	-	-	-	-
2	<b>Other Non-Executive Directors</b>	<b>Mr. Parag Phanse</b>	<b>Mr. Vijay Kini</b>	<b>Mr. Rajnish Saxena</b>	<b>Mr. Sachin Joshi#</b>	-	-	-

	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						

*# Mr. Sachin Joshi, Director resigned effective July 07, 2020.*

*\* 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 Millions)

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)
<b>A. COMPANY</b>					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
<b>B. DIRECTORS</b>					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
<b>C. OTHER OFFICERS IN DEFAULT</b>					
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/-

October 06, 2021  
Mumbai

**Vijay Kini**  
**(DIN: 06612768)**  
**Director**

**Rajnish Saxena**  
**(DIN: 05188337)**  
**Director**

**KDT & ASSOCIATES**  
COMPANY SECRETARIES

308, Balaji Darshan, Tilak Road, Santacruz (W), Mumbai - 400 054. ★ Email : team@cskda.com

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FORM NO. MR-3  
SECRETARIAL AUDIT REPORT  
FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2021  
*[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**

We 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 **18<sup>th</sup> 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 us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our 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, We hereby report that in our opinion, the Company has, during the audit period covering the Financial Year ended on **31<sup>st</sup> March, 2021** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company and have relied on the records, documents and information shared electronically to us by the Company due to extra-ordinary circumstance of COVID-19, for the Financial Year ended on **31<sup>st</sup> March, 2021** as made available to us, 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;
- (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**)

We 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;

To the best of our 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 31<sup>st</sup> March, 2020 is not signed as per the provisions of the Act.*
- *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 and E-form MGT-7 for the Financial year 2018-2019 and 2019-2020.*
- *The Company has not file E-form MGT-14 for convening Annual General Meeting through electronic mode i.e. video conferencing or any other audio video means held for financial year 2018- 2019 and 2019-2020 as per Circulars issued by Ministry of Corporate Affairs.*
- *The Disclosures intimating the concern or interest of a Director in any company or companies or bodies corporate, firms, or other association of individuals at the first meeting of the Board in the financial year under review as required under provisions of Section 184 of the Act and rules made thereunder, was received and taken on record in the subsequent meeting's.*
- *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-2020 however have submitted the Audited financials on 29<sup>th</sup> June, 2021 and subsequently have publish the results in English national daily newspaper.*

We further report that-

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

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent 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.

We 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.
- b. 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 Women Director and Independent Directors.
- c. The Company has held the Annual General Meeting for the financial year 2018-2019 on Friday, 19<sup>th</sup> June, 2020 which was not within the limits as prescribed under provisions of Section 96 of the Companies Act, 2013 and the rules made.

**For KDT & Associates**  
*Company Secretaries*

NIKUNJ  
RATILAL  
MAKWANA

Digitally signed by NIKUNJ RATILAL  
MAKWANA  
DN: cn=PPersonal, o=KDT & Associates, email=nikunj.ratilal@kdtassociates.com, c=IN  
Reason: I am the signer of this document.  
MD5-Digest: 8a7971a4f843254992d  
PKCS7 Signature: 11c13d88b6c0e019f829  
URL: http://www.kdtassociates.com/19f829  
Date: 2021.10.06 19:22:14 +05'30'

**Nikunj Makwana**

**Partner**

**Membership No.: ACS 62943**

**CoP No.: 23501**

**UDIN: A062943C001103281**

**Date: 06<sup>th</sup> October, 2021**

**Place: Mumbai**

**Annexure I**

<b>Sr. No.</b>	<b>Particulars</b>
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 KDT & Associates**  
*Company Secretaries*

NIKUNJ  
RATILAL  
MAKWANA

Digitally signed by NIKUNJ RATILAL MAKWANA  
DN: cn=NIKUNJ RATILAL MAKWANA,  
c=IN, o=KDT & Associates, ou=KDT & Associates,  
email=nikunj.ratilal.makwana@kdtandassociates.com,  
serial=40007, version=3,  
uniqueIdentifier=777675494646a26f10f18f88baa3,  
c=IN, o=NIKUNJ RATILAL MAKWANA,  
Date: 2021.10.06 18:22:40 +05'30'

**Nikunj Makwana**  
**Partner**

**Membership No.: ACS 62943**

**CoP No.: 23501**

**UDIN: A062943C001103281**

**Date: 06<sup>th</sup> October, 2021**

**Place: Mumbai**

To,  
The Members,  
**JORABAT SHILLONG EXPRESSWAY LIMITED**

Our 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. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provided a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Book of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulation, standards is the responsibility of management. Our 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 KDT & Associates**  
*Company Secretaries*

NIKUNJ  
RATILAL  
MAKWANA

Digitally signed by NIKUNJ RATILAL  
MAKWANA  
DN: c=IN, o=Personal, ou=6646,  
postalCode=121706, st=DELHI, email=669675681@9646505347923121212018  
569, postalCode=400005, st=Maharashtra,  
serialNumber=32647974467412544792312  
4527550001716349664569510768  
URL, cn=NIKUNJ RATILAL MAKWANA  
Date: 2021.10.06 16:21:00 +05'30'

**Nikunj Makwana**  
**Partner**

**Membership No.: ACS 62943**

**CoP No.: 23501**

**UDIN: A062943C001103281**

**Date: 06<sup>th</sup> October, 2021**

**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 March 31, 2021, 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, 2021, 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. 29 of the accompanying financial statements wherein the company has disclosed that it has computed the impairment loss as at March 31, 2019 for its financial assets based on the bid received by the holding company for divestment of its stake in the company, which is based on the enterprise value, which is not in line with the requirements of 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 & March 31, 2020.*

**Emphasis of Matter**

- i. We draw attention to Note No. 30 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 only and management is of the view that it is not applicable to the company, it is expected that impact, if any, arising out of the said reopening / recasting would be limited to above mentioned three entities only. The process of reopening and recasting 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;
- ii. We draw attention to Note No. 31 to the accompanying financial statements, the Ministry of Corporate Affairs, Government of India, has vide its letter dated October 1, 2018 initiated investigation by Serious Fraud Investigation Office (SFIO) against IL&FS Ltd. (ultimate holding company) and its group companies under Section 212 (1) of the Companies Act, 2013. As a part of its investigation of affairs of ITNL (the

holding company), SFIO has been seeking from ITNL various information including relating to project undertaken by the Company (for which ITNL acted as development contractor and promoter). The investigation is in progress and it is understood that the related information is being provided by ITNL to the agency. At this stage, no material impact / implications had arisen from the aforesaid developments. However, an uncertainty relating to future outcome of the regulatory action is not determinable at this stage.

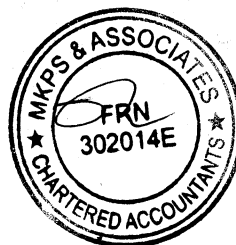
- iii. As mentioned in Note No. 32 of the accompanying financial statements, the books of accounts of IL & FS India Ltd. (the ultimate holding company) and certain companies of the group are being subject to a forensic audit by an independent third party. We are informed that there is no specific forensic examination or forensic audit initiated in respect of the Company. Observations made by the independent third party relating to the project undertaken by the Company, based on its interim report, have been presented to the Company's Board. After review of the observations, the Board is of the view that no adjustments will be required in these financial statements for any consequential effects / matters that may arise from the said report. The independent third party is conducting further audit procedures and an additional report may be issued in due course, of which the impact, if any, is not presently ascertainable.
- iv. We draw your attention to Note No. 35 to accompanying financial statements regarding NCLAT Order on Moratorium for financial creditors of the Company based on which Company had 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. 3037.65 Million as at March 31, 2021. Consequently, in view of there being no repayments the unamortised transaction costs have not been amortised for the year. (Ref Note No. 19 & 35).

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><b>Cash Flow Annuity model for determining revenue as per Service Concession Agreement</b></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 Judgment 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><b>Audit procedures performed includes:</b></p> <ul style="list-style-type: none"> <li>- Obtained an understanding and evaluated the company's process for projecting the future cash flows for annuity model including assumptions and basis of projections;</li> <li>- Tested the design, implementation and operating effectiveness of relevant internal controls related to cash flow annuity model for determining the revenue from operations.</li> <li>- 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"> <li>• Assessing the reliability of management's forecast through the review of actuals vs. forecasts;</li> <li>• 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.</li> </ul> </li> <li>- Assessing the arithmetical accuracy of the model and checked the related disclosures made by the company.</li> </ul>

### Material Uncertainty Related to Going Concern

We draw attention to note no. 29-35 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. 1,441 million as on March 31, 2021. These conditions, along with other matters set forth at Note 29-35 regarding debt servicing and its liquidity status, coupled with negative net-worth as at March 31, 2021 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.

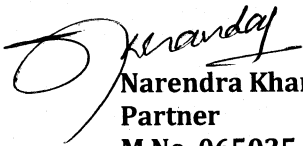
As required by Section 143(3) of the Act, we report that:

- (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 statement of cash flow 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.

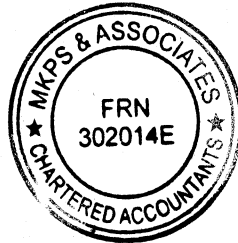


- (e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure II.
- (g) 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.
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note 26 & 27 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 : 21065025AAAAHH1189**  
**Mumbai, June 29, 2021**



**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, 2021**

- 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 March 31, 2021. 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, 2021 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 :

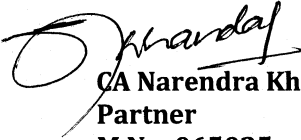
Asst. Year	Amount of demand (Rs. In Millions)	Forum where pending	Remarks
2011-12	406.34	Income Tax Appellate Tribunal	Order dated 12-September-2018
2012-13	2.24	Income Tax Appellate Tribunal	Order dated 24-July-2019
2013-14	1.35	Commissioner of Income Tax (Appeals)	
2014-15	0.48	Commissioner of Income Tax (Appeals)	
2016-17	115.27	Commissioner of Income Tax (Appeals)	Matter is under appeal
2018-19	286.01	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.

- 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 29-35 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 : 21065025AAAAHH1189  
Mumbai, June 29, 2021**



## **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, 2021**

**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, 2021 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**

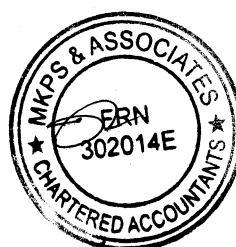
The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial 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.

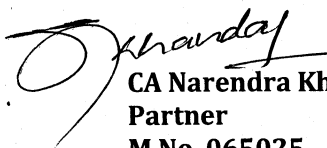
## **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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, 2021, 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 : 21065025AAAAHH1189  
Mumbai, June 29, 2021**



BALANCE SHEET AS AT March 31, 2021

₹ in Millions

Particulars	Notes	As at	
		March 31, 2021	March 31, 2020
<b>ASSETS</b>			
<b>Non-current Assets</b>			
(a) Financial assets			
(i) Other financial assets	4	7,198.48	7,750.60
(b) Tax assets			
(i) Non Current Tax Asset (Net)	14	211.63	177.86
<b>Total Non-current Assets</b>		<b>7,410.11</b>	<b>7,928.46</b>
<b>Current Assets</b>			
(a) Financial assets			
(i) Investments	7	1,359.17	1,312.37
(ii) Cash and cash equivalents	5	42.20	167.43
(iii) Bank balances other than (ii) above	5	5,185.98	3,685.14
(iv) Other financial assets	4	543.15	480.05
(b) Other current assets	6	26.93	9.78
<b>Total Current Assets</b>		<b>7,157.43</b>	<b>5,654.77</b>
<b>Total Assets</b>		<b>14,567.55</b>	<b>13,583.23</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity share capital	8	840.00	840.00
(b) Other Equity	9	(2,281.22)	(3,247.17)
Equity attributable to owners of the Company		<b>(1,441.22)</b>	<b>(2,407.17)</b>
Non-controlling Interests	17	-	-
<b>Total Equity</b>		<b>(1,441.22)</b>	<b>(2,407.17)</b>
<b>LIABILITIES</b>			
<b>Non-current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	10	7,901.49	7,901.49
(ii) Trade payables other than MSME	13	515.13	512.57
<b>Total Non-current Liabilities</b>		<b>8,416.62</b>	<b>8,414.06</b>
<b>Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	10	5,415.39	5,415.39
(ii) Trade payables other than MSME	13	29.74	30.15
(iv) Other financial liabilities	11	2,145.62	2,130.08
(b) Current tax liabilities (Net)	14	-	-
(c) Other current liabilities	12	1.39	0.72
<b>Total Current Liabilities</b>		<b>7,592.14</b>	<b>7,576.34</b>
<b>Total Liabilities</b>		<b>16,008.76</b>	<b>15,990.40</b>
<b>Total Equity and Liabilities</b>		<b>14,567.55</b>	<b>13,583.23</b>

Notes 1 to 41 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: JUNE 29, 2021

For and behalf of the Board

  
Vijay Kini  
Director  
DIN:06612768

  
Rajnish Saxena  
Director  
DIN:05188337

Place: Mumbai  
Date : June 29, 2021



STATEMENT OF PROFIT AND LOSS FOR YEAR ENDED MARCH 31, 2021

₹ in Millions

Particulars	Notes	Year Ended March 31, 2021	Year Ended March 31, 2020
I. Revenue from Operations	15	952.33	982.10
II. Other income	16	210.34	131.30
III. Total Income (I+II)		<b>1,162.67</b>	<b>1,113.40</b>
IV. Expenses			
Construction Costs	17	3.89	14.06
Operating expenses	18	162.95	129.48
Employee benefits expense	19	-	-
Finance costs (net)	20	8.93	0.72
Provision for Impairment of Financial assets	21	-	-
Write-off of Claim Receivable		-	-
Other expenses	22	20.95	81.85
Total expenses (IV)		<b>196.72</b>	<b>226.10</b>
V Profit before share of profit/(loss) of an associate and a joint venture		<b>965.95</b>	<b>887.30</b>
VI Less: Tax expense	23		
(1) Current tax		-	-
Total Tax expenses		-	-
VII Profit/(loss) after tax (V-VI)		<b>965.95</b>	<b>887.30</b>
VIII Profit / (Loss) for the year		<b>965.95</b>	<b>887.30</b>
IX Other Comprehensive Income		-	-
X Total comprehensive (loss) / income for the year (VIII + IX)		<b>965.95</b>	<b>887.30</b>
Profit/ (Loss) for the year attributable to:			
- Owners of the Company		965.95	887.30
- Non-controlling interests		-	-
		<b>965.95</b>	<b>887.30</b>
XI Earnings per equity share (face value ₹ 10 per share):	24		
(1) Basic (in Rs.)		<b>11.50</b>	<b>10.56</b>
(2) Diluted (in Rs.)		<b>11.50</b>	<b>10.56</b>

Notes 1 to 41 form part of the financial statements.

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

  
Narendra Khandal  
Partner

Membership Number -065025

Place: Mumbai

Date : June 29, 2021



For and behalf of the Board

  
Vijay Kini

Director  
DIN:06612768

Place: Mumbai

Date : June 29, 2021

  
Rajnish Saxena

Director  
DIN:05188337

CASH FLOW STATEMENT FOR YEAR ENDED MARCH 31, 2021

₹ in Millions

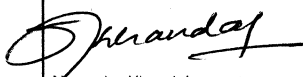
Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
<b>Cash flows from operating activities</b>		
Profit for the year	965.95	887.30
Adjustments for:		
Construction Income	(3.37)	(28.41)
Finance Income	(770.25)	(825.02)
O&M Income	(120.48)	(113.58)
Construction Cost	3.89	14.06
Gain on MTM- Investment in Mutual fund	(46.80)	(73.27)
O&M Cost	109.87	103.58
Periodic maintenance Income	(58.22)	(28.41)
Periodic maintenance expenses	53.09	25.91
Profit on sale of investments	-	(3.41)
Interest income recognised in profit or loss	(163.54)	(44.99)
	<b>(29.88)</b>	<b>(86.26)</b>
Movements in working capital:		
(Increase)/decrease in other financial assets & other assets (current and non current)	(17.14)	2,290.47
Increase/ (Decrease) in financial liabilities & other liabilities (current and non current)	18.37	(22.98)
	1.22	2,267.49
<b>Cash generated from operations</b>	<b>(28.66)</b>	<b>2,181.23</b>
Income taxes paid (net of refunds)	(33.77)	126.24
<b>Net cash generated by operating activities (A)</b>	<b>(62.43)</b>	<b>2,307.47</b>
<b>Cash flows from investing activities</b>		
(Increase) / Decrease in receivable under service concession arrangements (net)	1,273.26	1,406.24
Increase in Fixed Deposit (Having Maturity More than 3 Month)	(1,500.84)	(3,685.14)
Interest received	164.78	44.99
Investment in Mutual funds	-	(12.50)
Redemption of Mutual funds	-	36.01
<b>Net cash used in investing activities (B)</b>	<b>(62.80)</b>	<b>(2,210.40)</b>
<b>Cash flows from financing activities</b>		
Repayment of NCD	-	-
<b>Net cash generated in financing activities (C)</b>	-	-
<b>Net increase/ (decrease) in cash and cash equivalents (A+B+C)</b>	<b>(125.23)</b>	<b>97.07</b>
Cash and cash equivalents at the beginning of the year	167.43	70.36
<b>Cash and cash equivalents at the end of the year</b>	<b>42.20</b>	<b>167.43</b>

Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
<b>Components of Cash and Cash Equivalents</b>		
Cash on hand	-	-
Balances with Banks in current accounts	28.20	153.43
Balances with Banks in deposit accounts	14.00	14.00
<b>Cash and Cash Equivalents</b>	<b>42.20</b>	<b>167.43</b>

Notes 1 to 41 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 : *June 29*, 2021

For and on behalf of the Board

  
Vijay Kini  
Director  
DIN:06612768

  
Rajnish Saxena  
Director  
DIN:05188337

Place: Mumbai

Date : June 29 , 2021

Statement of changes in equity

	₹ in Millions	
	Year Ended March 31, 2021	Year ended March 31, 2020
a. Equity share capital		
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

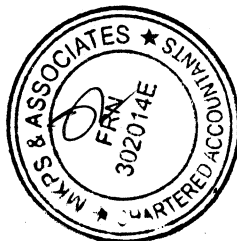
Statement of changes in equity for the year ended March 31, 2020						
b. Other equity	Debtore redemption reserve	Retained earnings	Total	Attributable to owners of the parent	Non-controlling interests	Total
Balance as at April 1, 2019	-	(4,134.46)	(4,134.46)	(4,134.46)	-	(4,134.46)
Profit/(Loss) for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

₹ in Millions

Statement of changes in equity for Year ended March 31, 2021						
b. Other equity	Debtore redemption reserve	Retained earnings	Total	Attributable to owners of the parent	Non-controlling interests	Total
Balance as at April 1, 2020	816.15	(4,063.32)	(3,247.17)	(3,247.17)		(3,247.17)
Profit/(Loss) for the year	-	965.95	965.95	965.95	-	965.95
Transfer (to) / from debtore redemption reserve	-	-	-	-	-	-
Balance as at March 31, 2021	816.15	(3,097.37)	(2,281.22)	(2,281.22)	-	(2,281.22)

Foot Note:

a. Amount transferred to Debtore 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.



JORABAT SHILLONG EXPRESSWAY LIMITED  
Notes forming part of the Financial Statements for year ended March 31, 2021

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

₹ in Millions

Particulars	As at March 31, 2021		As at March 31, 2020	
	Non Current	Current	Non Current	Current
Receivable under service concession arrangements	7,198.48	518.98	7,750.59	454.64
Claim & others receivable from authority	-	-	-	-
Interest accrued - Others	-	24.17	-	25.41
Security Deposits - Others	0.00	-	0.00	-
<b>Total</b>	<b>7,198.48</b>	<b>543.15</b>	<b>7,750.60</b>	<b>480.05</b>

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, 2021	As at March 31, 2020
	Balances with Banks	
In current accounts	28.20	153.43
In term deposit accounts (Having Maturity Less than 3 Months)	14.00	14.00
Cash on hand	-	-
Others	-	-
<b>Cash and cash equivalents</b>	<b>42.20</b>	<b>167.43</b>
Balances with Banks		
In term deposit accounts - Foot Note (i) (Having Maturity more than 3 Months but less than 1 year)	5,185.98	3,685.14
<b>Other bank balances</b>	<b>5,185.98</b>	<b>3,685.14</b>

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, 2021	As at March 31, 2020
Cash and cash equivalents	42.20	167.43
<b>Cash and cash equivalents for statement of cash flows</b>	<b>42.20</b>	<b>167.43</b>

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

₹ in Millions

Particulars	As at March 31, 2021		As at March 31, 2020	
	Non Current	Current	Non Current	Current
Prepaid expenses	-	7.04	-	-
Indirect tax balances / Receivable credit	-	1.36	-	0.89
Others assets	-	18.53	-	5.49
Unbilled Revenue - Receivable	-	-	-	3.40
<b>Total</b>	<b>-</b>	<b>26.93</b>	<b>-</b>	<b>9.78</b>

7. Other Current Investments

₹ in Millions

Particulars	As at March 31, 2021		As at March 31, 2020	
	Units (in numbers)	Amount in Millions	Units (in numbers)	Amount in Millions
<b>Quoted Investments</b>				
Investment in Mutual Funds-BOI AXA Liquid Fund-Reg(G)	1,17,275	275.47	1,17,275	266.07
Investment in Mutual Funds-UTI LIQUID Cash Plan	3,23,191	1,083.70	3,23,191	1,046.30
<b>TOTAL INVESTMENTS (A)</b>		<b>1,359.17</b>		<b>1,312.37</b>
Less : Aggregate amount of impairment in value of investments (B)		-		-
<b>TOTAL INVESTMENTS CARRYING VALUE (A) - (B)</b>		<b>1,359.17</b>		<b>1,312.37</b>
<b>Aggregate market value of quoted investments</b>		<b>1,359.17</b>		<b>1,312.37</b>

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 year ended March 31, 2021

8. Equity Share Capital

Particulars	As at March 31, 2021		As at March 31, 2020	
	Number of shares	₹ in Millions	Number of shares	₹ in Millions
<b>Authorised</b>				
Equity Shares of ₹ 10/- each fully paid	8,50,00,000	850.00	8,50,00,000	850.00
<b>Issued, Subscribed and Paid up Equity Shares of ₹ 10/- each fully paid</b>	8,40,00,000	840.00	8,40,00,000	840.00
<b>Total</b>	<b>8,40,00,000</b>	<b>840.00</b>	<b>8,40,00,000</b>	<b>840.00</b>

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, 2021		Year ended March 31, 2020	
	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	-	-	-	-
<b>Shares outstanding at the end of the year</b>	<b>8,40,00,000</b>	<b>840.00</b>	<b>8,40,00,000</b>	<b>840.00</b>

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

Equity Shareholder	As at March 31, 2021		As at March 31, 2020	
	Number of shares held	% holding in the class of shares	Number of shares held	% holding in the class of shares
Fully paid equity shares				
IL&FS Transportation Networks Limited	8,40,00,000	100%	8,40,00,000	100%
<b>Total</b>	<b>8,40,00,000</b>	<b>100%</b>	<b>8,40,00,000</b>	<b>100%</b>

9. Other Equity

Particulars	₹ in Millions	
	As at March 31, 2021	As at March 31, 2020
<b>Debenture redemption reserve</b>		
Balance at beginning of the year / Period	816.15	-
(+) Created during the year / Period	-	816.15
Others		
<b>Balance at end of the year</b>	<b>816.15</b>	<b>816.15</b>
<b>Retained earnings</b>		
Balance at beginning of year / Period	(4,063.32)	(4,134.46)
Profit / (Loss) attributable to owners of the Company	965.95	887.30
Transfer (to) / from debenture redemption reserve	-	(816.15)
<b>Balance at end of the year</b>	<b>(3,097.37)</b>	<b>(4,063.32)</b>
<b>Total</b>	<b>(2,281.22)</b>	<b>(3,247.17)</b>

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.



JORABAT SHILLONG EXPRESSWAY LIMITED

Notes forming part of the Financial Statements for year ended March 31, 2021

10. Borrowings at amortised cost

₹ in Millions

Particulars	As at March 31, 2021			As at March 31, 2020		
	Long-term	Current portion	Short-term	Long-term	Current portion	Short-term
<b>Secured – at amortised cost</b>						
(i) Bonds / debentures						
- from other parties	7,901.49	-	-	7,901.49	-	-
(ii) Term loans						
- from banks	-	-	-	-	-	-
<b>Unsecured – at amortised cost</b>						
(i) Term loans						
- from related parties	-	-	5,415.39	-	-	5,415.39
<b>Total</b>	<b>7,901.49</b>	<b>-</b>	<b>5,415.39</b>	<b>7,901.49</b>	<b>-</b>	<b>5,415.39</b>
Less: Current maturities of long term debt clubbed under "other current liabilities"						
<b>Total</b>	<b>7,901.49</b>	<b>-</b>	<b>5,415.39</b>	<b>7,901.49</b>	<b>-</b>	<b>5,415.39</b>

₹ in Millions

Particulars	As at March 31, 2021			As at March 31, 2020		
	Long-term	Current portion	Short-term	Long-term	Current portion	Short-term
<b>Secured – at amortised cost</b>						
(i) Bonds / debentures						
- from related parties						
- from other parties	8,136.31	-	-	8,136.31	-	-
(ii) Term loans						
(i) Term loans						
- from related parties (Refer Note 25)	-	-	5,415.39	-	-	5,415.39
<b>Total</b>	<b>8,136.31</b>	<b>-</b>	<b>5,415.39</b>	<b>8,136.31</b>	<b>-</b>	<b>5,415.39</b>

Less Unamortised Cost :

₹ in Millions

Particulars	As at March 31, 2021			As at March 31, 2020		
	Long-term	Current portion	Short-term	Long-term	Current portion	Short-term
<b>Secured – at amortised cost</b>						
(i) Bonds / debentures						
- from other parties	234.82	-	-	234.82	-	-
(ii) Term loans						
- from banks	-	-	-	-	-	-
<b>Total</b>	<b>234.82</b>	<b>-</b>	<b>-</b>	<b>234.82</b>	<b>-</b>	<b>-</b>

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,



**JORABAT SHILLONG EXPRESSWAY LIMITED**

Notes forming part of the Financial Statements for year ended March 31, 2021

**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
<b>Total</b>					<b>88,336</b>	<b>88,336</b>

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

Particulars	₹ in Millions			
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
	₹	₹	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
<b>Total</b>	<b>8,386.10</b>	<b>8,386.10</b>		

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 30th Sept 2020 which approximates INR 2422 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 year ended March 31, 2021

**11. Other financial liabilities**

₹ in Millions

Particulars	As at March 31, 2021		As at March 31, 2020	
	Non Current	Current	Non Current	Current
Current maturities of long-term debt	-	-	-	-
Interest accrued due				
- from related parties	-	265.19		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	-	1,755.53	-	1,750.35
Other current liabilities	-	20.75	-	17.99
<b>Total</b>	-	<b>2,145.62</b>	-	<b>2,130.08</b>

**12. Other liabilities**

₹ in Millions

Particulars	As at March 31, 2021		As at March 31, 2020	
	Non Current	Current	Non Current	Current
Statutory dues		1.39		0.72
<b>Total</b>	-	<b>1.39</b>	-	<b>0.72</b>

**13. Trade payables**

₹ in Millions

Particulars	As at March 31, 2021		As at March 31, 2020	
	Non Current	Current	Non Current	Current
Trade payables other than MSME				
-Retention Money Related Party	515.13		512.57	
-Trade Payable Related Party		29.74		30.15
-Trade Payable others				
<b>Total</b>	<b>515.13</b>	<b>29.74</b>	<b>512.57</b>	<b>30.15</b>

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, 2021		As at March 31, 2020	
	Non Current	Current	Non Current	Current
<b>Current tax assets</b>				
Advance payment of taxes	211.63	36.07	177.86	36.07
<b>Total</b>	<b>211.63</b>	<b>36.07</b>	<b>177.86</b>	<b>36.07</b>
<b>Current tax liabilities</b>				
Provision for tax		36.07		36.07
<b>Total</b>	-	<b>36.07</b>	-	<b>36.07</b>





JORABAT SHILLONG EXPRESSWAY LIMITED  
Notes forming part of the Financial Statements for year ended March 31, 2021

15. Revenue from operations

Particulars	₹ in Millions	
	Year Ended March 31, 2021	Year Ended March 31, 2020
(a) Operation and maintenance income	120.48	113.58
(b) Finance income	770.25	825.02
(c) Construction income	-	11.69
(d) Overlay income	58.22	28.41
(e) Additional Construction Work - Change of Scope	3.37	3.40
<b>Total</b>	<b>952.33</b>	<b>982.10</b>

16. Other Income

Particulars	₹ in Millions	
	Year Ended March 31, 2021	Year Ended March 31, 2020
Interest on bank deposits (at amortised cost)	163.54	44.99
Modification Gain	-	9.63
Mark to Market Gain on Investment	46.80	73.27
Profit on sale of investment (net)	-	3.41
<b>Total</b>	<b>210.34</b>	<b>131.30</b>

17. Cost of Material Consumed & Construction Cost

Particulars	₹ in Millions	
	Year Ended March 31, 2021	Year Ended March 31, 2020
Construction contract costs	-	10.66
Additional Construction Work - Change of Scope	3.89	3.40
Overlay Expenses	-	-
<b>Total</b>	<b>3.89</b>	<b>14.06</b>

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, 2021	Year Ended March 31, 2020
Operation and maintenance expenses	109.87	103.58
Periodic maintenance expenses	53.09	25.91
<b>Total</b>	<b>162.95</b>	<b>129.48</b>

19. Finance costs

Particulars	₹ in Millions	
	Year Ended March 31, 2021	Year Ended March 31, 2020
(a) Interest costs		
Interest on debentures	-	-
Interest on loans from related parties	-	-
Finance charges	8.93	0.72
<b>Total (a+b+c+d)</b>	<b>8.93</b>	<b>0.72</b>

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:

	16-10-2018 to 31-03-19	1-4-2019 to 31-03-20	1-4-2020 to 31-03-21
Interest due to			
ILFS AIRPORT	120.11	263.24	262.52
STAMP	45.39	99.47	99.20
SABARMATI	42.55	93.25	93.00
ROHTAS BIO ENERGY LTD	45.39	99.47	99.20
NCD			
JR	86.50	189.57	189.05
Sr	224.97	493.06	491.71
<b>Total</b>	<b>564.91</b>	<b>1,238.06</b>	<b>1,234.68</b>



JORABAT SHILLONG EXPRESSWAY LIMITED  
Notes forming part of the Financial Statements for year ended March 31, 2021

20. Provision for Impairment of Financial assets

₹ in Millions

Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
Provision for Impairment of Financial assets	-	-
<b>Total depreciation and amortisation</b>	-	-

21. Other expenses

₹ in Millions

Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
Legal and consultation fees	4.26	4.09
Modification Loss	0.45	-
Independent Engineer Fees	9.96	10.83
Telephone Expenses	0.29	0.24
Travelling and conveyance	0.02	0.02
Rates and taxes	0.12	0.48
Damages recovered by Authority	4.71	65.41
Payment to auditors	0.91	0.74
Miscellaneous expenses	0.22	0.04
<b>Total</b>	<b>20.95</b>	<b>81.85</b>

21.1 Payments to auditors

₹ in Millions

Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
a) For audit	0.49	0.44
b) For Tax audit	0.17	0.13
c) For other services	0.25	0.18
<b>Total</b>	<b>0.91</b>	<b>0.74</b>

22. Income taxes

22.1 Income tax recognised in profit or loss

₹ in Millions

Particulars	Year Ended March 31, 2021	Year Ended March 31, 2020
<b>Current tax</b>		
In respect of the current period		
In respect of prior period	-	-
<b>Deferred tax</b>		
In respect of the current period	-	-
<b>Total income tax expense recognised in the current period relating to continuing operations</b>	<b>-</b>	<b>-</b>

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 year ended March 31, 2021

**23. Earnings per share**

Particulars	Unit	Year Ended March	Year Ended March
		31, 2021	31, 2020
Profit for the year attributable to owners of the Company	₹ in Millions	965.95	887.30
Weighted average number of equity shares	Number	8,40,00,000	8,40,00,000
Nominal value per equity share	₹	10	10
<b>Basic / Diluted earnings per share</b>	₹	<b>11.50</b>	<b>10.56</b>



JORABAT SHILLONG EXPRESSWAY LIMITED

Notes forming part of the Financial Statements for year ended March 31, 2021

24. Financial instruments

24.1 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.

24.1.1 Gearing ratio

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

₹ in Millions

Particulars	As at March 31, 2021	As at March 31, 2020
Debt (i)	13,316.88	13,316.88
Cash and bank balances (including cash and bank balances held for sale)	42.20	167.43
Net debt	13,274.68	13,149.45
Equity (ii)	(1,441.22)	(2,407.17)
Net debt to equity ratio	(9.21)	(5.46)

24.2 Categories of financial instruments

₹ in Millions

Particulars	As at March 31, 2021	As at March 31, 2020
<b>Financial assets</b>		
Cash and bank balances (including cash and bank balances in a disposal company held for sale)	42.20	167.43
Investments	1,359.17	1,312.37
Receivable Under Service Concession Arrangement	7,717.46	8,205.24
Others	24.17	25.41
<b>Total</b>	<b>9,143.01</b>	<b>9,710.45</b>
<b>Financial liabilities</b>		
Borrowings (including Interest Accrued)	13,686.23	13,678.62
Other financial liabilities	2,321.15	2,311.06

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

24.3.1 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, 2021 would increase/decrease by Rs.66.58 Mn/-

24.4 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.

24.5 Liquidity risk management

24.5.1 Liquidity and interest risk tables

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, 2021			As at March 31, 2020		
	Non-interest bearing	Variable interest rate instruments	Fixed interest rate instruments*	Non-interest bearing	Variable interest rate instruments	Fixed interest rate instruments
<b>Financial Liability</b>						
Borrowing (Inc Accr Interest & Current Maturity)			13,686.23			13,678.62
Trade Payable	544.88			542.72		
Others Financial Liabilities	1,776.27		-	1,768.34		-



JORABAT SHILLONG EXPRESSWAY LIMITED

Notes forming part of the Financial Statements for year ended March 31, 2021

25. Related Party Disclosures

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

Nature of Relationship	Name of Entity	Abbreviation used	For FY 2020- 21	March 2020
Holding Company	IL&FS Transportation Networks Limited w.e.f. August 16, 2018	ITNL	Yes	Yes
Holding Company of ITNL	Infrastructure Leasing & Financial Services Limited	IL&FS	Yes	Yes
Directors & Key Management Personnel ("KMP")	Mr. Sunil Rai :- Appointed w.e.f. 22/10/2019	Manager	Yes	Yes
	Mr. Vijay Kini	Nominee Director	Yes	Yes
	Mr. M. B. Bajulge:- Resigned as on 05/04/2019	Nominee Director	No	Yes
	Mr. Sachin Joshi :- Appointed w.e.f. 04/10/2019	Nominee Director	No	Yes
	Mr. Rajnish Saxena w.e.f. 19/03/2019	Nominee Director	Yes	Yes
	Mr. Mohit Bhasin w.e.f. 19/03/2019	Nominee Director	Yes	Yes
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, 2021

25. Related Party Disclosures (contd.)

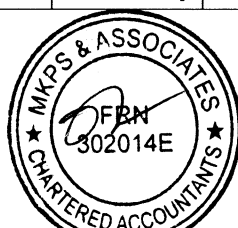
(b) transactions/ balances with above mentioned related parties (mentioned in note 26 above)

Year ended March 31, 2021

Particulars	Company's Name	Ultimate Holding Company	Fellow Subsidiaries of ITNL	Holding Company	Directors & KMPs	₹ in Millions
						Total
<b>Balance</b>						
Creditors payable	ITNL	-	-	1,682.16	-	1,682.16
Creditors payable	Elsamex	-	35.60	-	-	35.60
Retention Money payable	Elsamex	-	2.56	-	-	2.56
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
Finance charges ( Delay Payment charges)	LIVIA	-	0.30	-	-	0.30
Fees payable	IL&FS	10.27	-	-	-	10.27
Finance charges ( Delay Payment charges)	IL&FS	5.73	-	-	-	5.73
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
Finance charges ( Delay Payment charges)	SABARMATI 1	-	1.57	-	-	1.57
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
<b>Transactions</b>						
Deputation Cost	ITNL	-	-	2.91	-	2.91
Finance charges	LIVIA	-	0.32	-	-	0.32
Finance charges	IL&FS	6.20	-	-	-	6.20
Finance charges	SABARMATI 1	-	1.70	-	-	1.70
OPE	IFIN	-	0.04	-	-	0.04
Operation & Maintenance Cost	Elsamex	-	102.87	-	-	102.87
Reimbursement towards Insurance	Elsamex	-	5.41	-	-	5.41
Major Maintenance cost	Elsamex	-	53.09	-	-	53.09

Year ended March 31, 2020

Particulars	Company's Name	Ultimate Holding Company	Fellow Subsidiaries of ITNL	Holding Company	Directors & KMPs	₹ in Millions
						Total
<b>Balance</b>						
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
<b>Transactions</b>						
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



**JORABAT SHILLONG EXPRESSWAY LIMITED**  
**Notes forming part of the Financial Statements for year ended March 31, 2021**

**26. Commitments for expenditure**

Particulars	₹ in Millions	
	Year Ended March 31, 2021	Year ended March 31, 2020
IL&FS Transportation Networks Limited (a) Estimated amount of contracts remaining to be executed on Operation and Maintenance and not provided for	1,392.97	1,501.20
IL&FS Transportation Networks Limited (b) Estimated amount of contracts remaining to be executed on Overlay expenses and not provided for	933.71	986.80

**27 Contingent Liability**

	₹ in Millions	
	Year Ended March 31, 2021	Year ended March 31, 2020
Contingent Liability in respect of claim filed by creditor	-	15.24
Income tax demands contested by the Company	406.35	314.60
Not convened the Annual general Meeting for the financial year 2018-2019 within the prescribed time limit, signing of financial u/s 134(8), non-filing of INC 22, DIR-12 and DPT-3 with ROC etc	2.04	-

**28 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.

**29 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 2020-21.

**30 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 Network Limited ("ITNL"), the holding Company.

The Company's financial statement are not subject to any reopening/recasting and it is expected that impact, if any, arising out of the said reopening / recasting would be limited to above mentioned three entities only. Adjustments, if any, arising out of the said reopening/recasting of financial statement of the Holding Company (ITNL) having any impact on financial statements of the Company would be made in the financial statements of the Company for the future period

**31 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 (ultimate holding company) and its group companies under Section 212 (1) of the Companies Act, 2013. As a part of investigation of affairs of ITNL (the Holding Company), SFIO has also been seeking from ITNL various information including relating to project undertaken by the Company (for which ITNL acted as Development Contractor and promoter). The investigation is in progress and it is understood that the relevant information is being provided by ITNL to the agency. At this stage, no material impact/ implications had arisen from the aforesaid developments. However, an uncertainty relating to the future outcome of the regulatory actions is not determinable at this stage



**JORABAT SHILLONG EXPRESSWAY LIMITED**

**Notes forming part of the Financial Statements for year ended March 31, 2021**

**32 Forensic Examination :**

The New Board 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 to the Board of Directors of IL&FS. The Company is not in the list of Companies identified by the New Board for forensic audit and hence no such specific audit of the affairs of the Company has been conducted. The independent third party has submitted their interim report in relation to the audit of ITNL (the Holding company) and its project related activities and the observations contained therein related primarily to the operations of ITNL. The said report has been discussed by the Board of ITNL in its meeting held on November 28, 2019 and is being dealt with in manner deemed fit by the Board of the Holding company

Observations if any made by the independent third party relating to the project undertaken by the Company, have been presented to the Company's Board. After review of the observations, the Board is of the view that no adjustments will be required in these financial statements for any consequential effects / matters that may arise from the said report. The independent third party is conducting further audit procedures and an additional report may be issued in due course

**33 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 5 June, 2019 (later extended till February 5, 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 and accounted in the books of accounts appropriately

**34 Non-compliance of applicable laws and regulations :**

The Company is not in compliance with certain provisions of the Companies Act 2013 and other regulations, as applicable to the Company. These non-compliances pertain to the filing of various forms relating appointment/resignation of Directors, filings of various forms with Regulators, appointment of Key Management personnel and their signing on the financial statements, and such other regulations. Management with its best estimate has identified the potential financial implications of the same but based on its assessment is of the view that these penal provisions are invoked sparingly and more so are condoned for sufficient cause and hence the same has been disclosed in contingent liability (refer note 27).

**35 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.

**36 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 loss of Rs 0.45 million (Previous year Gain : Rs 9.63 million ) in accordance with the principle of IND-AS 109.





**JORABAT SHILLONG EXPRESSWAY LIMITED**

Notes forming part of the Financial Statements for year ended March 31, 2021

**37 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.

**38 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



**JORABAT SHILLONG EXPRESSWAY LIMITED**

**Notes forming part of the Financial Statements for year ended March 31, 2021**

End of concession period under concession agreement	11-Jan-2031
Period of concession since the appointed date	20 years

**39 Subsequent Events**

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

**40** 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.

**41 Approval of financial statements**

The Financial statements were approved for issue by the Board of Directors at their meeting on June 29, 2021

In terms of our report attached.

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

  
Narendra Khandal  
**Partner**

Membership Number -065025

Place: Mumbai

Date : *June 29* , 2021



**For and on behalf of the Board**

  
Vijay Kini  
**Director**  
DIN:06612768

  
Rajnish Saxena  
**Director**  
DIN:05188337

Place: Mumbai

Date : June 29 , 2021

**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.



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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



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### **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.

