

MKPS & ASSOCIATES

(Formerly DASS MAULIK MAHENDRA K. AGRAWAL & CO.)

CHARTERED ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

To The Members of
Sai Maatarini Tollways Limited

Report on the Audit of Standalone Financial Statements

Qualified Opinion

We have audited the accompanying Standalone Financial Statements of Sai Maatarini Tollways Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended and notes to the standalone financial statements, including a summary of the significant accounting policies and other explanatory information (" hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the aforesaid financial statements give the information required under the Companies Act 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the generally accepted accounting principles in India, of the state of affairs of the Company as at March 31, 2024, the Loss and its cash flows for the year ended on that date.

Basis for Qualified Opinion

We draw attention to the following note to the standalone financial statements:

1.Note 28 regarding settlement agreement entered between the company and NHAI on 30th March 2023.As per the settlement agreement the company and NHAI had agreed for a termination payment of Rs.96,803 lakhs against all disputes/claims. The settlement amount of Rs.96,803 Lakhs includes termination payment, interest, claims receivable by the company net of recoveries by NHAI. The company had received Rs 79,650 lakhs and balance settlement amount to be received is Rs 17,153 lakhs. However pending settlement with the lenders, the company continues to recognise Net receivable from NHAI of Rs.98,578 Lakhs(Net of Rs 79,650 lakhs receipt). Henceforth the expenses (Write off of Receivable) of the company are understated by Rs. 81,425 lakhs and assets overstated by Rs. 81,425 lakhs.

2. Note 30(c) to the financial statements regarding non receipt of the confirmations of balances from banks and financial institutions in respect of borrowings of Rs. 2,11,996.16 Lakhs for the reasons detailed in the said note. The company had recognized interest expense and other finance charges during the period amounting to Rs 27,467.33 Lakhs as per existing loan agreements. We are unable to comment on impact, if any, on loss for the year and the Reserves had the confirmations been received from the lenders.



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3. Note 31 regarding non-recognition of liability towards goods and services Tax (including interest and penalty) amounting to Rs 12,392 Lakhs in respect of termination payment received from National Highways Authority of India and other reasons stated in the said note. Pending the ultimate outcome of this matter, which is presently unascertainable, no adjustments have been made in the financial statements.

4. Note 22 wherein during the Financial year 2022-23, the company has written off a receivable of Rs.1,011.02 Lakhs from Gayatri Projects Limited and written back trade payable of Rs.2,915.68 Lakhs and claims payable of Rs 22,745 lakhs to Gayatri Projects Limited. However, we have not received any confirmation from Gayatri Projects Limited for the write off/writeback.

We conducted our audit in accordance with the Standards on Auditing (SAs) issued by ICAI and specified under section 143(10) of the Act. 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 Act 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 qualified opinion.

Emphasis of matter

We draw attention to note no. 30(b) of the accompanying financial statements where the lenders have filed before the Hon'ble National Company Law Tribunal, Hyderabad Bench under section 7 of The Insolvency and Bankruptcy Code, 2016, read with the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016 to declare the company as insolvent. The Company has received notice from NCLT and the date of hearing is scheduled on 27th May 2024 for admission under IBC.

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

The Company's Board of Directors is responsible for the preparation of other information. The other information comprises the information included in the Board's Report but does not include the financial statements and our auditor's report thereon.

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 and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements, or our knowledge obtained during our audit, or otherwise appears to be materially misstated.

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

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, and cash flows of the Company in accordance with The Accounting Standards specified under section 133 of the Companies Act, 2013 and rules made



there under. 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 statements 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.

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

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably



knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in:

- (i) planning the scope of our audit work and in evaluating the results of our work; and
- (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

Report on Other Legal and Regulatory Requirements³

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section 11 of section 143 of the Act, we give in "Annexure A" a statement on the matters specified in paragraph 3 and 4 of the Order.
2. As required by Section 143(3) of the Companies Act, 2013, we report that:
 - a) Except for the matters stated in the 'Basis of Qualified opinion' paragraph above, we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b) Except for the matters stated in the 'basis of Qualified opinion' paragraph above, 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 the account.
 - d) Except for the matters stated in the 'Basis of Qualified opinion' paragraph stated here in above, in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with rules made there under.
 - e) The matters stated in Basis for Qualified Opinion section in our opinion, may have an adverse effect on the functioning of the Company.
 - f) On the basis of written representations received from the directors as on March 31st 2024 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024, from being appointed as a director in terms of Section 164(2) of the Act.
 - g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in 'Annexure B'; and
 - h) with respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.




- i) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements - Refer Note 31 to the financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There are no amounts which are required to be transferred, to the Investor Education and Protection Fund by the Company for the year ended March 31, 2024.
 - iv. (a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

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

(c) Based on such audit procedures that we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) contain any material mis-statement.
 - v. The Company has not declared or paid any dividend during the year.
 - vi. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account for the financial year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with.

For MKPS & Associates
Chartered Accountants
Firm Registration No. 302014E


Vikash Modi
Partner
Membership Number: 216468
UDIN: 24216468BKBUE4044
Place: Hyderabad
Date: 16th May, 2024



Annexure – A to the Independent Auditors Report

Referred to in our report of even date, to the members of Sai Maatarini Tollways Limited for the year ended March 31, 2024

- i) (a) The company does not have any Property, plant and equipment as on the date of the Balance Sheet. Hence, the reporting requirements under sub-clause (a) to sub-clause (d) of clause (i) of paragraph 3 of the order are not applicable.
- (e) According to the information and explanations provided to us and on the basis of our examination of the records of the company, we report that no proceedings have been initiated during the year or are pending against the company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- ii) (a) As the company is engaged in the business of infrastructure development, operations and its maintenance and there is no inventory in hand at any point of time, hence paragraph 3(ii) of the Order is not applicable to the company
- (b) The company has not been sanctioned any working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets and hence the reporting requirements under sub-clause (b) of clause (ii) of paragraph 3 of the order are not applicable.
- iii) According to the information and explanations provided to us and on the basis of our examination of the records of the company, we report that the company has not made any investments in, nor provided any guarantee or security nor granted any loans or advances in the nature of loans, to companies, firms, Limited Liability Partnerships or any other parties. Hence, the reporting requirements under 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, the company has not advanced any loans to directors / to a company in which the Director is interested to which the provisions of section 185 of the Act apply and has not made any investments to which the provision of section 186 of the Act apply. Further, based on the information and explanations given to us, being an infrastructure company, the provisions of section 186 of the Act to the extent of loans, guarantees and securities granted are not applicable to the company. Hence, the reporting requirements under clause (iv) of paragraph 3 of the order are not applicable.
- v) In our opinion and according to the information and explanations given to us, the company has not accepted any deposits during the period under audit. Consequently, the directives issued by Reserve Bank of India and the provisions of sections 73 to 76 of the Act and the rules framed thereunder are not applicable.
- vi) The maintenance of cost records specified by the Central Government under sub-section (1) of section 148 of the Act are not applicable for the company.
- vii) (a) In our opinion and according to the information and explanations given to us and based on our examination of the books of the company, the company is regular in depositing undisputed applicable statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, and any other material statutory dues to the appropriate authorities. There are no undisputed amounts payable in respect of Goods and Services Tax, provident fund, employees' state insurance, income-tax, and any other material statutory dues in arrears as at March 31, 2024 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are statutory dues referred to in clause (a) above which have not been deposited on account of any dispute.



Name of the Statute	Nature of dues	Amount in Rs(crores)	Period to which the amount relates	Forum where dispute is pending
CGST/SGST Act	GST, Interest and Penalty	28.85	Financial Year 2021-22	Deputy Commissioner of CT & GST
CGST/SGST Act	GST, Interest and Penalty	94.90	Financial Year 2020-21	Deputy Commissioner of CT & GST
CGST/SGST Act	GST, Interest and Penalty	0.17	Financial Year 2018-19	Deputy Commissioner of CT & GST

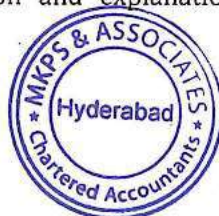
viii) In our opinion and according to the information and explanations given to us, there are no transactions relating to previously unrecorded income that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

ix) (a) According to the information and explanations given to us and as per the books of accounts and records examined by us, in our opinion, the company has defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to banks and financial institutions as detailed below:

Particulars	Amount in Lakhs	Period of default
<u>To Banks and Financial Institutions:</u>		
Principal & Interest [Net of Rs. 78,026.54 Lakhs received from NHAI and credited to Escrow Account with IDBI]	2,11,996.16	January 2018 to March 2024

- (b) According to the information and explanations given to us and as represented to us by the management, the company has not been declared as a wilful defaulter by any bank or financial institution or other lender.
- (c) In our opinion and according to the information and explanations given to us, no fresh term loans have been taken during the year.
- (d) On an overall examination of the financial statements of the company, in our opinion, no funds raised on short term basis have been prima-facie being used for long term purposes during the year.
- (e) The company does not have any subsidiary, joint venture or associate and hence the reporting requirements under sub-clause (e) of clause (ix) of paragraph 3 of the order are not applicable.
- (f) The company does not have any subsidiary, joint venture or associate and hence the reporting requirements under sub-clause (f) of clause (ix) of paragraph 3 of the order are not applicable.

x) (a) According to the information and explanations provided to us and based on our



examination of the books of accounts and other records, we report that the company has not raised any moneys raised by way of initial public offer or further public offer (including debt instruments) during the year. Hence, the reporting requirements under sub-clause (a) of clause (x) of paragraph 3 of the order are not applicable.

- (b) According to the information and explanations provided to us and based on our examination of the books of accounts and other records, we report that the company has not made any preferential allotment or private placement of shares convertible debentures (fully, partially or optionally convertible) during the year.
- xi) (a) Based on the audit procedures performed by us for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given to us by the management, we report that we have neither come across any instance of fraud by the company or on the company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the management.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government during the year and till the date of this report.
- (c) According to the information and explanations provided to us, no whistle blower complaints have been received during the year and upto the date of this report.
- 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) a) In our opinion, the company has an internal audit system commensurate with the size and nature of its business.
- b) We have considered the internal audit reports for the year under audit, issued to the company, in determining the nature, timing and extent of audit procedures.
- xv) As per the information and explanations provided to us, the company has not entered into any non-cash transactions with directors or persons connected with them and hence the provisions of section 192 of the Act are not applicable to the company.
- xvi) a) 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. Hence, the reporting requirements under sub-clause (a), (b) and (c) of clause (xvi) of paragraph 3 of the order are not applicable.
- b) According to the information and explanation given to us by the management, in our opinion, there is no Core Investment Company as part of the Group. Hence, the reporting requirements under sub-clause (d) of clause (xvi) of paragraph 3 of the order are not applicable.
- xvii) The company has incurred cash loss of Rs. 27,496.44 Lakhs & Rs. 23,002.84 Lakhs during the year ended March 31, 2024 & March 31, 2023 respectively.
- xviii) There has been no resignation of statutory auditors during the year.
- xix) On the basis of the financial ratios, ageing and expected dates of realisation of assets and



payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, We believe that material uncertainty exists as on the date of the audit report indicating that the company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.

- xx) The provisions of section 135 of the Act are not applicable to the company for the year under audit and hence the reporting requirements under sub-clause (a) & (b) of clause (xx) of paragraph 3 of the order are not applicable.

For MKPS & Associates
Chartered Accountants
FRN 302014E

V. Vikash Modi

Vikash Modi
Partner
M No. 216468
UDIN: 24216468BKBUE4044
Place: Hyderabad
Date: 16th May, 2024



ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in our Report of even date)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Sai Maatarini Tollways Ltd ("the Company") as of March 31, 2024 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 judgment, 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 qualified 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 unauthorized 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.

Qualified Opinion

According to the information and explanations given to us and based on our audit, material weakness has been identified in the operating effectiveness of the Company's internal financial controls over financial reporting as at March 31, 2024 in respect of the Company's process of provisioning of expense for demand notices, estimation of realizability of the termination payment claim from NHAI and process for obtaining confirmation of balances from term lending banks, financial institutions and related party. These could potentially result in misstatement in the financial statements by way of Company not providing for adjustments, if any, that may be required.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the Company's annual or interim financial statements will not be prevented or detected on a timely basis.

In our opinion, the Company has, in all material respects, maintained adequate internal financial controls over financial reporting as of March 31, 2024 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, and except for the possible effects of the material weakness described above on the achievement of the objectives of the control criteria, the Company's internal financial controls over financial reporting were operating effectively as of March 31, 2024.

For MKPS & Associates
Chartered Accountants
Firm Registration No. 302014E

V. Vikash Modi



Vikash Modi
Partner
Membership Number: 216468
UDIN: 24216468BKBUE4044
Place: Hyderabad
Date: 16th May, 2024

Sai Maatarini Tollways Limited
Balance sheet as at 31st March 2024

(All amounts in ₹ in lacs unless otherwise stated)

Particulars	Notes	As at	
		31st March 2024	31st March 2023
Assets			
Non-current assets			
Property, plant and equipment		-	-
Intangible assets		-	-
Intangible assets under development		-	-
Other Non Current Financial Assets		-	-
Other non-current assets		-	-
Current assets			
Financial Assets			
Cash and cash equivalents	3	272.89	24.66
Other Financial assets	4	98,577.68	132,298.01
Other current assets	5	606.34	20.32
		99,456.91	132,342.99
Assets Classified as held for sale			
		-	-
		99,456.91	132,342.99
Total Assets			
		99,456.91	132,342.99
Equity and liabilities			
Equity			
Equity share capital	6	1,000.08	1,000.08
Instrument entirely equity in nature	7(a)	10,016.00	10,016.00
Other equity	7(b)	(124,155.32)	(96,658.88)
Total Equity		(113,139.24)	(85,642.80)
Non-current Liabilities			
Financial liabilities			
Long Term Borrowings	8	-	-
Long Term Provisions		-	-
Total Non-current liabilities			
		-	-
Current liabilities			
Financial liabilities			
Trade payables	9		
i) Total outstanding due of Micro enterprises and small enterprises		-	-
ii) Total outstanding due of creditors other than Micro enterprises and small enterprises		3.01	75.36
Other Financial Liabilities	10	212,593.13	217,910.24
Other current liabilities	11	0.01	0.19
Total Current liabilities		212,596.15	217,985.79
Total Equity and Liabilities			
		99,456.91	132,342.99

In terms of our report attached.

For and on behalf of the Board

For MKPS & ASSOCIATES

Chartered Accountants

Firm Registration No.3020145

Vikash Modi

Partner

Membership No. 216468

UDIN: 24216468BKBUE04044

Place: Hyderabad

Date: 16.05.2024



Krishnamurthy Chaturvedi

Director

DIN: 08661228

Y. Bhavani

Chief Financial Officer

Place: Hyderabad

Date: 16.05.2024

T.V Sandeep Kumar Reddy

Director

DIN: 00005573

Devansh Garg

Company Secretary



Sai Maatarini Tollways Limited
Statement of Profit and Loss for the Year ended 31st March 2024

(All amounts in ₹ in lacs unless otherwise stated)

Particulars	Notes	For the Year ended	
		31st March 2024	31st March 2023
Income			
Revenue from Operations		-	-
Other Income		-	-
Total income		-	-
Expenses			
Employee benefits expense		-	-
Finance costs		-	-
Toll Plaza Admin Expenses		-	-
Total expense		-	-
Current tax		-	-
Income tax expense		-	-
Profit/ (loss) for the year from Continuing Operations (A)		-	-
Profit/(Loss) before tax from discontinuing operations	16	(27,496.44)	(23,002.84)
Current tax		-	-
Profit/ (loss) for the Year from discontinuing Operations (B)		<u>(27,496.44)</u>	<u>(23,002.84)</u>
Profit/ (loss) for the Year (A+B)		<u>(27,496.44)</u>	<u>(23,002.84)</u>
Total other comprehensive income, net of tax		-	-
Total comprehensive income / (loss) for the year		<u>(27,496.44)</u>	<u>(23,002.84)</u>
Earnings / (loss) per equity share (EPES)	17		
Continued Operations			
Basic		-	-
Diluted		-	-
Dis-continued Operations			
Basic		(274.94)	(230.01)
Diluted		(274.94)	(230.01)

The accompanying notes form an integral part of the financial statements.

In terms of our report attached.

For and on behalf of the Board

For MKPS & ASSOCIATES

Chartered Accountants

Firm Registration No.302014E

Vikash Modi

Partner

Membership No. 216468

UDIN: 34216468 BKBUE4044

Place: Hyderabad

Date: 16.05.2024



Krishnamurthy Chaturvedi

Director

DIN: 08661228

Y. Bhavani

Chief Financial Officer

Place: Hyderabad

Date: 16.05.2024

T.V Sandeep Kumar Reddy

Director

DIN: 00005573

Devansh Garg

Company Secretary



Sai Maatarini Tollways Limited
Statement of Cash flows for the Year ended as on 31st March 2024

(All amounts in ₹ in lacs unless otherwise stated)

Particulars	For the Year ended	
	31st March 2024	31st March 2023
Operating activities		
Profit/(Loss) before tax	(27,496.44)	(23,002.84)
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation of property, plant and equipment	-	-
Loss on transfer of asset	-	2.75
Working capital adjustments:		
(Increase)/Decrease in other current assets	(586.02)	1,621.91
(Increase)/Decrease in other financial assets	33,720.33	(903.60)
Increase /(Decrease) in trade payables	(72.35)	(99.22)
Increase /(Decrease) in other current liabilities	(5,317.30)	22,377.80
Increase /(Decrease) in long term Provisions	-	(0.31)
	248.23	(3.51)
Income tax paid, net of refund	-	-
Net cash flow from operating activities	(A) 248.23	(3.51)
Investing activities		
Intangible assets under development	-	-
Intangible assets (carriageway)	-	-
Purchase of Capital Assets	-	-
Net cash flow from investing activities	(B) -	-
Financing activities		
Decrease in Long Term borrowings	-	-
Net cash used in financing activities	(C) -	-
Net increase/(decrease) in cash and cash equivalents	(A+B+C) 248.23	(3.51)
Cash and cash equivalents at the beginning of the year	24.66	28.17
Cash and cash equivalents at the end of the year	272.89	24.66
Cash and cash equivalents includes		
Cash on hand	0.00	0.03
Balances with banks in current accounts	272.89	24.63
Total cash and cash equivalents	272.89	24.66
Balances with banks in fixed deposit accounts	-	-

In terms of our report attached.

 For MKPS & ASSOCIATES
Chartered Accountants
Firm Registration No.302014E

 Vikash Modi
Partner

Membership No. 216468

 UDIN: 24216468BKBUE4D44
Place: Hyderabad
Date: 16.05.2024


For and on behalf of the Board

 Krishnamurthy Chaturvedi
Director
DIN: 08661228

 Y. Bhavani
Chief Financial Officer
Place: Hyderabad
Date: 16.05.2024

 T.V Sandeep Kumar Reddy
Director
DIN: 00005573

 Devansh Garg
Company Secretary


Sai Maatarini Tollways Limited**Statement of Changes in Equity for the year ended as on 31st March 2024**

(All amounts in ₹ in lacs unless otherwise stated)

(a) Equity share capital

Particulars	Number	Amount
Equity shares of ₹10 each issued, subscribed and fully paid		
At 31st March 2024	10,000,843	1,000.08
At 31st March 2023	10,000,843	1,000.08

(b) Other equity**For the Year ended 31st March 2024**

Particulars	Security Premium Reserve	Retained earnings	Total equity
As at 1st April 2023	17,015.94	(113,674.82)	(96,658.88)
Profit / (loss) for the year	-	(27,496.44)	(27,496.44)
At 31st March 2024	17,015.94	(141,171.25)	(124,155.31)

For the Year ended 31st March 2023

Particulars	Security Premium Reserve	Retained earnings	Total equity
At 1st April 2022	17,015.94	(90,671.98)	(73,656.04)
Profit / (loss) for the year	-	(23,002.84)	(23,002.84)
At 31st March 2023	17,015.94	(113,674.82)	(96,658.88)

In terms of our report attached.

For and on behalf of the Board

For MKPS & ASSOCIATES

Chartered Accountants

Firm Registration No.302014E

**Vikash Modi**

Partner

Membership No. 216468



UDIN: 24216468BKBUE04044

Place: Hyderabad

Date: 16.05.2024

**Krishnamurthy Chaturvedi**

Director

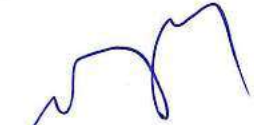
DIN: 08661228

**Y. Bhavani**

Chief Financial Officer

Place: Hyderabad

Date: 16.05.2024

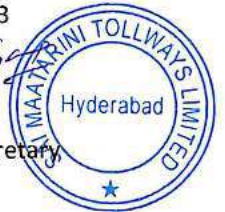
**T.V. Sandeep Kumar Reddy**

Director

DIN: 00005573

**Devansh Garg**

Company Secretary



1 Disclosure pursuant "Going Concern"

The company has ceased to be a going concern entity and the financial statements of the company as on March 31, 2024 have been prepared under realizable Value basis.
Realizable value of assets and settlement values of liabilities are based on management estimates. As on the date of balance sheet it is not determinable whether the expenditure associated with liquidation of the company or the amounts that the creditors agree to accept in settlement of the obligation due to them will be materially different from the amounts shown in these financial statements.

Corporate Information

Sai Maatarini Tollways Limited ("the Company") is a limited company domiciled in India and incorporated under the provisions of the Companies Act, 1956.

The Company is a Special Purpose Vehicle (SPV) incorporated for the purpose of execution of the project "Four Laning of Panikoli-Rimuli section of NH-215 from KM 0.00 to KM 163.00 (Design Length 166.173 KM) in the State of Odisha under NHDP Phase-III as BOT (Toll) basis on DBFOT pattern." As per the Concession Agreement dated September 28, 2011 signed with National Highways Authority of India ("NHAI"), the Concession Period is for 24 years. The Company has achieved Provisional Completion Certificate on 08.08.2017 and Toll Collections are started from 17.08.2017. The company has received Termination Notice from the NHAI on 28.01.2020 and the company has handedover the Toll assets, Collections and Toll Operations to NHAI on 30.01.2020 at 08.00 AM.

Presently the Company does not have any operations due to termination and handing over of the Company's project. The administrative, finance, employee costs and miscellaneous incomes of the Company during the year are treated as results of Company's discontinuing operations and reported as such in the financial statements.

2 Significant Accounting Policies

2.01 Basis of preparation

(a) Going Concern Assumption

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

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

(b) Compliance with IndAS

Consequent to termination of Company's project by NHAI, the Company does not have any operations. Hence, the financial statements for the year have been prepared not on going concern basis. The assets and liabilities have been reported at realisable values at the year end.

The Company's financial statements comply in all material respects with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

(c) Use of estimates and judgments

The preparation of these financial statements in conformity with IndAS requires the management to make estimates and assumptions considered in the reported amounts of assets, liabilities (including contingent liabilities), income and expenses. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Actual results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialize. Estimates include the useful lives of property plant and equipment and intangible fixed assets, allowance for doubtful debts/advances, future obligations in respect of retirement benefit plans, provisions for resurfacing obligations, fair value measurement etc.

(d) Measurement of fair values

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

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that entity can access at measurement date
- Level 2 inputs other than quoted prices included in Level 1, that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and
- Level 3 inputs for the asset or liability that are not based on observable market data (unobservable inputs).



Sai Maatarini Tollways Limited

Summary of Significant Accounting Policies and Other Explanatory Information

(All amounts in ₹ in lacs unless otherwise stated)

2.02 Presentation of financial statements

The Balance Sheet and the Statement of Profit and Loss are prepared and presented in the format prescribed in Schedule III to the Companies Act, 2013 ("the Act"). The Cash Flow Statement has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash Flows". The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in Schedule III to the Act, are presented by way of notes forming part of accounts along with the other notes required to be disclosed under the notified Accounting Standards.

Amounts in the financial statements are presented in Indian Rupees rounded off to two decimal places in line with the requirements of Schedule III of the Companies Act, 2013.

2.03 Revenue recognition

- a) Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are inclusive of duties and taxes and net of discounts, rebates and other similar allowances.

The Company recognises revenue when the amount of revenue can be reliably measured, it is probable that the future economic benefits would flow to the entity and specific criteria have been met for each of the activities described below. The Company bases its estimates on historical results, taking into consideration the type of customer, type of transaction and specifics of the arrangement.

- b) Toll collections from the users of the infrastructure facility constructed by the Company under the Service Concession Arrangement is accounted for based on actual collection. Revenue from sale of smart cards is accounted on cash basis.

- c) Interest income is recognised on a time proportion basis taking into account the amount outstanding and the applicable rate.

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

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

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

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

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

- e) Fair value gains on current investments carried at fair value are included in other income.
f) Dividend income is recognised when the right to receive the same is established by the reporting date.
g) Other items of income are recognised as and when the right to receive arises.

2.04 Cash and bank balances

Cash and bank balances also include fixed deposits, margin money deposits, earmarked balances with banks and other bank balances which have restrictions on repatriation. Short term highly liquid investments being not free from more than insignificant risk of change are not included as part of cash and cash equivalents. Bank overdrafts which are part of the cash management process is included as part of cash and cash equivalents.

2.05 Cash flow statement

Cash flow statement is prepared segregating the cash flows from operating, investing and financing activities. Cash flow from operating activities is reported using indirect method. Under the indirect method, the net profit/(loss) is adjusted for the effects of:

- (a) transactions of a non-cash nature;
(b) any deferrals or accruals of past or future operating cash receipts or payments and,
(c) all other items of income or expense associated with investing or financing cash flows.

The cash flows from operating, investing and financing activities of the Company are segregated based on the available information. Cash and cash equivalents (including bank balances) are reflected as such in the Cash Flow Statement. Those cash and cash equivalents which are not available for general use as on the date of Balance Sheet are also included under this category with a specific disclosure.



Sai Maatarini Tollways Limited

Summary of Significant Accounting Policies and Other Explanatory Information

(All amounts in ₹ in lacs unless otherwise stated)

2.06 Current & Non Current classification :

Current Asset :

An asset shall be classified as current when it satisfies any of the following criteria:

- (a) it is expected to be realized in, or is intended for sale or consumption in, the company's normal operating cycle;
- (b) it is held primarily for the purpose of being traded.
- (c) It is expected to be realized within twelve months after the reporting date, or
- (d) It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

All other assets shall be classified as non-current.

Current Liabilities:

A liability shall be classified as current when it satisfies any of the following criteria:

- (a) it is expected to be settled in the company's normal operating cycle;
- (b) it is held primarily for the purpose of being traded;
- (c) it is due to be settled within twelve months after the reporting date : or
- (d) the company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. Terms of a liability that could at the option of the counterparty, result in its settlement by the issue of equity instruments do not effect its classification. All other liabilities shall be classified as non-current.

2.07 Property, plant and equipment (PPE)

Property, plant and equipment are stated at historical cost less accumulated depreciation and cumulative impairment. Historical cost includes expenditure that is directly attributable to acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that the future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. Cost includes expenditure that is directly attributable and for qualifying assets, borrowing costs capitalised in accordance with the Company's accounting policy. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use.

Depreciation on assets has been provided on Straight line basis at the useful lives specified in the Schedule II of the Companies Act, 2013. Depreciation on additions/ deductions is calculated pro-rata from/ to the month of additions/ deductions.

An item of property, plant and equipment is derecognised upon disposal. Any gain or loss arising on the disposal of an item of property plant and equipment is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognised in the statement of profit and loss.

For transition to IndAS, the Company has elected to continue with the carrying value of all its property, plant and equipment recognised as of April 01, 2015 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost on the transition date.

Depreciation charge for impaired assets is adjusted in future periods in such a manner that the revised carrying amount of the asset is allocated over its remaining useful life.



Sai Maatarini Tollways Limited

Summary of Significant Accounting Policies and Other Explanatory Information

(All amounts in ₹ in lacs unless otherwise stated)

2.08 Intangible assets

a) Rights under Service Concession Arrangements

Intangible assets are recognised when it is probable that future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably. Intangible assets are stated at original cost net of tax/duty credits availed, if any, less accumulated amortisation and cumulative impairment.

b) Toll Projects (Right to charge users)

Toll collection rights obtained in consideration for rendering construction services, represent the right to collect toll revenue from the users of the public service (road) during the concession period in respect of Build-Operate-Transfer ("BOT") project undertaken by the Company. Toll collection rights are capitalized as intangible assets upon completion of the project at the cumulative construction costs plus the present value of obligation towards negative grants and additional concession fee payable to National Highways Authority of India ("NHA")/State authorities, if any. Till the completion of the project, the same is recognised under intangible assets under development.

The cost incurred for work beyond the original scope per Concession agreement (normally referred as "Change of Scope") is capitalized as intangible asset under development as and when incurred. Reimbursement in respect of such amounts from NHA/State authorities are reduced from the carrying amount intangible assets to the extent of actual receipts.

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

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

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

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

Amortisation of intangible assets

Toll collection rights in respect of road projects are amortized over the period of concession using the revenue based amortisation method prescribed under Schedule II to the Companies Act, 2013. Under the revenue based method, amortisation is provided based on proportion of actual revenue earned till the end of the year to the total projected revenue from the intangible asset expected to be earned over the concession period. Total projected revenue is reviewed at the end of each financial year and is adjusted to reflect the changes in earlier estimate vis-a-vis the actual revenue earned till the end of the year so that the whole of the cost of the intangible asset is amortised over the concession period.

2.09 Investments

Trade investments comprise investments in entities in which the Group has strategic business interest.

Investments, which are readily realizable and are intended to be held for not more than one year, are classified as current investments. All other investments are classified as long term investments.

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

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured in accordance with the requirements of cost model.

2.10 Borrowing costs

Borrowing costs include interest calculated using the effective interest method, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Consolidated Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilized for acquisition, construction or production of qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset up to the date of capitalization of such asset are added to the cost of the assets. Capitalization of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.



Sai Maatarini Tollways Limited

Summary of Significant Accounting Policies and Other Explanatory Information

(All amounts in ₹ in lacs unless otherwise stated)

2.11 Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) for the year by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) for the year as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

2.12 Income taxes

The income tax expense or credit for the year is the tax payable on current year's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses. The current income tax charge is calculated on the basis of tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and provisions are established where appropriate on the basis of amounts expected to be paid to the tax authorities.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the entity will pay normal income tax. Accordingly, MAT is recognised as an asset when it is highly probable that future economic benefit associated with it will flow to the entity.

Deferred income tax is provided in full, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However deferred income tax is not accounted if it arises from the initial recognition of an asset or liability that at the time of the transaction affects neither the accounting profit nor taxable profit (tax loss). Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset/liability is realised or settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and deferred tax liabilities are offset, when the entity has a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances related to the same authority.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity wherein the related tax is also recognised in other comprehensive income or directly in equity.

2.13 Impairment of assets

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists. The following intangible assets are tested for impairment each financial year even if there is no indication that the asset is impaired:

(a) an intangible asset that is not yet available for use; and (b) an intangible asset that is amortized over a period exceeding ten years from the date when the asset is available for use.

If the carrying amount of the assets exceed the estimated recoverable amount, an impairment is recognised for such excess amount. The impairment loss is recognised as an expense in the Statement of Profit and Loss, unless the asset is carried at revalued amount, in which case any impairment loss of the revalued asset is treated as a revaluation decrease to the extent a revaluation reserve is available for that asset.

The recoverable amount is the higher of the fair value less costs of disposal and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the asset for which the estimated future cash flows have not been adjusted.

When there is indication that an impairment loss recognised for an asset (other than a revalued asset) in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss. In case of revalued assets such reversal is not recognised.



Sai Maatarini Tollways Limited

Summary of Significant Accounting Policies and Other Explanatory Information

(All amounts in ₹ in lacs unless otherwise stated)

2.14 Provisions, contingent liabilities and contingent assets

A provision is recognised when the Company has a present obligation (legal or constructive) as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that the reimbursement will be received and the amount of the receivable can be measured reliably.

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

The company has the policy of taking note of the Contingent assets & liabilities once they are on the legal forum



Sai Maatarini Tollways Limited

Summary of Significant Accounting Policies and Other Explanatory Information

(All amounts in ₹ in lacs unless otherwise stated)

2.15 Financial Instruments

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

a) Financial Assets

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

Investments in debt instruments that meet the following conditions are subsequently measured at amortised cost (unless the same are designated as fair value through profit or loss (FVTPL)):

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

Debt instruments that meet the following conditions are subsequently measured at fair value through other comprehensive income (unless the same are designated as fair value through profit or loss)

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

Debt instruments at FVTPL is a residual category for debt instruments and all changes are recognised in profit or loss.

Investments in equity instruments are classified as FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in OCI for equity instruments which are not held for trading.

Interest income, dividend income and exchange difference (on debt instrument) on FVTOCI debt instruments is recognised in profit or loss and other changes in fair value are recognised in OCI and accumulated in other equity. On disposal of debt instruments FVTOCI the cumulative gain or loss previously accumulated in other equity is reclassified to profit & loss. However in case of equity instruments at FVTOCI cumulative gain or loss is not reclassified to profit & loss on disposal of investments.



Sai Maatarini Tollways Limited

Summary of Significant Accounting Policies and Other Explanatory Information

(All amounts in ₹ in lacs unless otherwise stated)

b) Financial Liabilities

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. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Loans and borrowings are subsequently measured at amortised costs using Effective Interest Rate method.

Financial liabilities at fair value through profit or loss (FVTPL) are subsequently measured at fair value.

Financial guarantee contracts are subsequently measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

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

c) Impairment of financial assets (Expected Credit Loss Model)

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

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

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

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

2.16 Insurance claims

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that the amount recoverable can be measured reliably and it is reasonable to expect ultimate collection.

2.17 Claims

Claims against the Company not acknowledged as debts are disclosed under contingent liabilities. Claims made by the company are recognised as and when the same is approved by the respective authorities with whom the claim is lodged.

2.18 Commitments

Commitments are future liabilities for contractual expenditure. Commitments are classified and disclosed as follows:

- (i) Estimated amount of contracts remaining to be executed on capital account and not provided for
- (ii) Uncalled liability on shares and other investments partly paid
- (iii) Funding related commitment to subsidiary, associate and joint venture companies and
- (iv) Other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of management.

Other commitments related to sales/procurements made in the normal course of business are not disclosed to avoid excessive details.



Sai Maatarini Tollways Limited

Summary of Significant Accounting Policies and Other Explanatory Information

(All amounts in ₹ in lacs unless otherwise stated)

2.19 Employee Benefit

Employee benefits include superannuation fund, gratuity fund, compensated absences, long service awards and post-employment medical benefits.

i. Short term Employee Benefit

All employee benefits falling due wholly within twelve months of rendering the service are classified as short term employee benefits. The benefits like salaries, wages, short term compensated absences etc. and the expected cost of bonus, ex-gratia are recognised in the period in which the employee renders the related service.

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

The cost of short-term compensated absences is accounted as under :

(a) in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and

(b) in case of non-accumulating compensated absences, when the absences occur.

ii. Post employment benefits

(a) Defined contribution plans:

The Company's superannuation scheme and State governed provident fund linked with employee pension scheme are defined contribution plans. The contribution paid/ payable under the scheme is recognised during the period in which the employee renders the related service.

(b) Defined benefit plans:

The present value of the obligation under such defined benefit plans is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation is measured at the present value of the estimated future cash flows. The discount rate used for determining the present value of the obligation under defined benefit plans, is based on the market yield on government securities.

(c) Other long term Employee Benefit

The obligation for other long term employee benefits such as long term compensated absences, liability on account of Retention Pay Scheme are recognised in the same manner as in the case of defined benefit plans as mentioned in (ii)(b) above.

2.20 Termination of Contract by NHAI:

The NHAI has terminated the project vide their Termination Notice dated 28.01.2020 and the company has handedover the Toll assets, Collections and Toll Operations to NHAI on 30.01.2020 at 08.00 AM. On handed over of the Road Project, the Intangible Asset in the books of account is transferred to as amount receivable from NHAI towards the value of asset takeover by NHAI.

In the year of receipt the amounts received from NHAI towards Termination Payments are appropriated against amount receivable from NHAI towards the value of the project takeover.

2.21 Treatment of Termination Payment received from NHAI, for Income Tax Purpose:

In the year of handing over of the project, the company has written off the entire capital value of the Intangible asset. The Termination Payment received from NHAI shall be offered for tax in the year of receipt.



Sai Maatarini Tollways Limited**Summary of Significant Accounting Policies and Other Explanatory Information**

(All amounts in ₹ in lacs unless otherwise stated)

3 Cash and cash equivalents

Particulars	As at	
	31st March 2024	31st March 2023
Balances with banks		
- in current accounts	272.89	24.63
Cash on hand	0.00	0.03
	<u>272.89</u>	<u>24.66</u>

4 Other Financial Assets

Particulars	As at	
	31st March 2024	31st March 2023
Receivable from NHAI towards Termination of contract	178,227.55	178,227.55
Termination Payment received from NHAI	(79,649.88)	(46,866.88)
GST TDS Receivable	-	937.34
	<u>98,577.68</u>	<u>132,298.01</u>

5 Other current assets

Particulars	As at	
	31st March 2024	31st March 2023
Retention money-NHAI	-	20.32
GST Appeal Fee Receivable	562.65	-
TDS Receivable	43.69	-
	<u>606.34</u>	<u>20.32</u>



6 Share capital

Particulars	31st March 2024		31st March 2023	
	Number	Amount	Number	Amount
Authorized				
Equity shares of ₹10 each	1,50,00,000	1,500.00	1,50,00,000	1,500.00
	<u>1,50,00,000</u>	<u>1,500.00</u>	<u>1,50,00,000</u>	<u>1,500.00</u>
Issued, subscribed and fully paid-up				
Equity shares of ₹10 each	1,00,00,843	1,000.08	1,00,00,843	1,000.08
	<u>1,00,00,843</u>	<u>1,000.08</u>	<u>1,00,00,843</u>	<u>1,000.08</u>

(a) Reconciliation of equity shares outstanding at the beginning and end of the reporting period

Particulars	31st March 2024		31st March 2023	
	Number	Amount	Number	Amount
At the beginning of the year	1,00,00,843	1,000.08	1,00,00,843	1,000.08
Issued during the year	-	-	-	-
Balance at the end of the year	<u>1,00,00,843</u>	<u>1,000.08</u>	<u>1,00,00,843</u>	<u>1,000.08</u>

(b) Terms/rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share. The rights and preferences of each shareholder are in accordance with the Shareholder's Agreement dated 14th May 2007.

The Company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of shareholders in the ensuing annual general meeting. During the year, no dividend was declared by the Company (31st March 2024 - Nil).

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts in proportion to the number of equity shares held by the shareholders.

(c) Shares held by holding Company, ultimate holding Company, subsidiaries / associates of holding Company or ultimate holding Company

Out of the equity shares issued by the Company, shares held by its holding company, ultimate holding company and their subsidiaries/associates are as below:

Particulars	31st March 2024		31st March 2023	
	Number	Amount	Number	Amount
Gayatri Highways Limited - Holding Company	1,00,00,843	1,000.08	1,00,00,843	1,000.08

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

Particulars	31st March 2024		31st March 2023	
	Number of shares	% of holding	Number of shares	% of holding
Gayatri Highways Limited - Holding Company	1,00,00,843	100%	1,00,00,843	100%

As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

6 Share Capital (Continued...)**(e) Details of Promoter shareholders holding more than 5% shares in the Company**

Particulars	31st March 2024		31st March 2023	
	Number of shares	% of holding	Number of shares	% of holding
Gayatri Highways Limited - Holding Company	1,00,00,843	100%	1,00,00,843	100%

As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.



Sai Maatarini Tollways Limited

Summary of Significant Accounting Policies and Other Explanatory Information

(All amounts in ₹ in lacs unless otherwise stated)

6 Share Capital (Continued...)

(e) Details of Promoter shareholders holding more than 5% shares in the Company

Particulars	31st March 2024		31st March 2023	
	Number of shares	% of holding	Number of shares	% of holding
Gayatri Highways Limited - Holding Company	10,000,843	100%	10,000,843	100%

As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

7 a) Instrument entirely equity in nature

Particulars	As at	
	31st March 2024	31st March 2023
Loans from Sponsors:		
Gayatri Highways Ltd.	10,016.00	10,016.00
	<u>10,016.00</u>	<u>10,016.00</u>

Subordinate debt will be paid at the option of the company only after payment of entire senior debt from lenders.

b) Other equity

Particulars	As at	
	31st March 2024	31st March 2023
Retained earnings		
Balance as per last audited financial statements	(113,674.82)	(90,671.98)
Add: Net profit / (loss) for the year	(27,496.44)	(23,002.84)
Balance at the end of the Year	<u>(141,171.26)</u>	<u>(113,674.82)</u>
Securities Premium		
Balance as per last audited financial statements	17,015.94	17,015.94
Add: Received on allotment during the year	-	-
Balance at the end of the Year	<u>17,015.94</u>	<u>17,015.94</u>
Total other equity	<u>(124,155.32)</u>	<u>(96,658.88)</u>



Sai Maatarini Tollways Limited

Summary of Significant Accounting Policies and Other Explanatory Information

(All amounts in ₹ in lacs unless otherwise stated)

8 Long term Borrowings

Particulars	As at	
	31st March 2024	31st March 2023
Non-current borrowings		
Term loans		
Secured		
From Banks	-	-
From Financial Institutions	-	-
Sub Debt from IIFCL	-	-
Less: Current maturities of long-term borrowings	-	-
Less : Unamortised Finance Cost	-	-
	<u>-</u>	<u>-</u>
Current borrowings		
Current maturities of long term loans		
Term loans		
Secured		
From Banks	109,213.54	109,213.54
From Financial Institutions	37,841.00	37,841.00
(Refer Note No.10)	<u>147,054.54</u>	<u>147,054.54</u>

Nature of Security for Secured Loans:

A. Term Loans from banks and financial institutions are secured by:

- First mortgage and pari passu charge on all the borrower's immovable properties, present and future, if any, save and except the Project Assets.
- a first charge by way of hypothecation on all the Borrower's tangible moveable assets, including but not limited to all current / non-current assets, moveable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles, all other movable assets, both present and future, save and except the Project Assets.
- a first charge on all the Borrower's bank accounts including but not limited to the Escrow Account/its Sub-Accounts that may be opened in accordance with the Common Loan Agreement, the Supplementary Escrow Agreement, or any of the other Project Documents where all revenues, disbursements, receivables shall be deposited and on all funds from time to time deposited therein and on all permitted investments or other securities representing all amounts credited to the Escrow Account.
- a first charge on all intangibles of the Borrower including but not limited to goodwill, rights, undertakings, uncalled capital and intellectual property rights, both present and future, save and except the Project Assets (provided that all amounts received on account of any of these shall be deposited in the Escrow Account and that the charges on the same shall be subject to the extent permissible as per the priority specified in the Clause 31 of the Concession Agreement and Clause 4 of the Escrow Agreement). Further, a charge on uncalled capital, as set in above, shall be subject however to the provisions of Clauses 5.3 and 7.1 (k) and Clause 31 of the Concession Agreement.
- an assignment by way of security:
 - of the right, title, interests, benefits, claims and demands of the Borrower in, to and under the Project Documents, duly acknowledged and consented to by the relevant counter-parties to such Project Documents to the extent not expressly provided in each such Project Document, all as amended, varied or supplemented from time to time;
 - of the right, title, interests, benefits, claims and demands of the Borrower in, to and under all the Approvals and Insurance Contracts; and
 - of the right, title, interests, benefits, claims and demands of the Borrower in, to and under any letter of credit, guarantees including contractor guarantees and liquidated damages and performance bond provided by any party to the Project Documents.
- pledge of equity shares (in dematerialised form) held by GPL constituting 51% (fifty one percent) of the total paid up and voting equity share capital of the Borrower until the Final Settlement Date.
- an irrevocable and unconditional guarantee from the GPL for meeting the shortfall between Secured Obligations then outstanding and the amounts receivable by the Lenders in accordance with Clause 4.2 of the Escrow Agreement in case of Termination of Concession Agreement for any reason.



Sai Maatarini Tollways Limited

Summary of Significant Accounting Policies and Other Explanatory Information

(All amounts in ₹ in lacs unless otherwise stated)

8 Long term Borrowings (Continued...)

B. Subordinate Debt from India Infrastructure Finance Co. Ltd. is secured by:

- a) Mortgage and second charge on all the borrower's immovable properties, present and future, if any, save and except the Project Assets.
- b) A second charge by way of hypothecation on all the Borrower's tangible moveable assets, including but not limited to all current/ non-current assets, moveable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles, all other movable assets, both present and future, save and except the Project Assets.
- c) A second charge on all the borrower's bank accounts including but not limited to the Escrow Account/its sub-accounts that may be opened in accordance with any of the Project Agreement.
- d) A second charge on all intangibles of the Borrower including but not limited to goodwill, rights, undertakings, uncalled capital and intellectual property rights, both present and future, save and except the Project Assets (provided that all amounts received on account of any of these shall be deposited in the Escrow Account and that the charges on the same shall be subject to the extent permissible as per the priority specified in the Clause 31 of the Concession Agreement and Clause 4 of the Escrow Agreement). Further, a charge on uncalled capital, as set in above, shall be subject however to the provisions of Clauses 5.3 and 7.1 (k) and Clause 31 of the Concession Agreement.
- e) an assignment by way of security:
 - (i) of the right, title, interests, benefits, claims and demands of the Borrower in, to and under the Project Documents, duly acknowledged and consented to by the relevant counter-parties to such Project Documents to the extent not expressly provided in each such Project Document, all as amended, varied or supplemented from time to time;
 - (ii) of the right, title, interests, benefits, claims and demands of the Borrower in, to and under all the Approvals and Insurance Contracts; and
 - (iii) of the right, title, interests, benefits, claims and demands of the Borrower in, to and under any letter of credit, guarantees including contractor guarantees and liquidated damages and performance bond provided by any party to the Project Documents.
- f) An irrevocable and unconditional corporate guarantee from the Gayatri Projects Ltd (GPL).

C. Subordinate Debt Support by Gayatri Projects Ltd (GPL)

As per clause no. 2.10 of Amended and Restated Sponsor Support Agreement dated 20th September 2014, Gayatri Projects Limited irrevocably agrees and undertakes-

(a) to promptly bring in from its own source requisite funds in addition to the GPL's contribution without in recourse to the lenders and/or the secured property to the satisfaction of the lenders by subscribing to the equity share capital of the borrower to enable the borrower to implement the project as per the project completion schedule in the event of delay in receipt of the proceeds of the subordinate facility by the borrower from the subordinate lender; and

(b) that it shall in addition to the GPL's contribution without any recourse to the lenders and/or the secured property to the satisfaction of the lenders infuse an amount equivalent to the debt service obligations of the borrower under the subordinate facility, in advance, on year-on-year basis (i.e. on 1st of April every year, during which, interest on subordinate facility/principal installments of the subordinate facility are scheduled for payment/repayment), as per the repayment schedule stipulated by the subordinate lender.

Provided, however, that the funds brought in by GPL (as per Article 2.10 (a) above by subscribing to the equity share capital of the borrower) in the event there is delay in receipt of the proceeds of the subordinate facility from the subordinate lender shall be repaid to GPL (by redeeming the subscribed equity share capital of the borrower) on receipt of disbursements under the subordinate facility subject to their being no occurrence and continuance of event of default.



Sai Maatarini Tollways Limited

Summary of Significant Accounting Policies and Other Explanatory Information

(All amounts in ₹ in lacs unless otherwise stated)

8 Long term Borrowings (Continued..)

Terms of repayment of Secured Loans

- A. The Company shall repay the Term Loans to the banks and financial institutions in 48 (forty eight) structured quarterly installments commencing after the Moratorium Period, as specified in the Amortization Schedule to the Common Loan Agreement dated June 26, 2013. The first repayment installment shall be due on January 1, 2016. The last repayment installment shall be paid on October 1, 2027.
The lenders have extended the SCOD from July 1, 2016 to July 1, 2017 and accordingly the Term Loan Repayment Schedule is shifted from January 1, 2016 to January 1, 2018.
- B. The Company shall repay the Subordinate Loan to the Subordinate Lender in 18 quarterly installments commencing after the Moratorium Period, as specified in the Amortization Schedule to the Subordinate Loan Agreement. The first repayment installment shall be due on January 1, 2023. The last repayment installment shall be paid on April 1, 2028. However, Gayatri Projects Ltd (GPL), in addition to the their Contribution without any recourse to the lenders and/or the secured property to the satisfaction of the lenders infuse an amount equivalent to the debt service obligations of the borrower under the subordinate facility, in advance on year-on-year basis, as per the repayment schedule stipulated by the subordinate lender.
- C. The above are original terms of repayment whereas IDBI on behalf of all lenders recalled the Senior and Sub debt dues as on 29.11.2019. As per the recall notice, the total loan from senior lenders and Sub- debt and interest thereon are become payable immediately. Accordingly, all the Non current borrowing are transferred to current borrowings
- D. The lenders have filed case in DRT for recovery of debt. Refer Note No.30a.for details

Rate of Interest on Secured Loans

- A. Applicable Interest Rate on Term Loans shall be floating at - (a) Spread @ 2% p.a. above the Base Rate of the Lead Bank viz. IDBI Bank Ltd.; or (b) Spread @ 2% p.a. above the IIFCL benchmark rate, whichever is higher.
- B. Applicable Interest Rate on Subordinate Loan shall be floating at Spread, i.e. 2% p.a. above the Interest rate applicable to IDBI Bank Ltd. as per the Common Loan Agreement.

Period and Amounts of continuing defaults as on Balance Sheet Date

The Company has defaulted in payment of principal and interest to the Banks and Financial Institutions amounting to Rs.2,11,996.16 lakhs.

Terms relating to Interest and Repayment of Unsecured Loans:

The amount advanced by holding Company is in the nature of promoters' contribution which carries nil rate of Interest. The loan is sub-ordinate to the Term Loan to be availed from the lenders and the same will be paid at the option of the company after repayment of Term Loans in full.

9 Trade payables

Particulars	As at	
	31st March 2024	31st March 2023
Vendors payables for Services & Products - Other than MSME	3.01	75.36
	3.01	75.36

The identification of micro and small enterprise suppliers as defined under the provisions of "Micro, small and medium enterprises Act, 2006" is based on Management's knowledge of their status. There are no dues to micro, small and medium enterprises as on 31 March 2023 or 31 March 2024.

9(a) Trade Payables Ageing Schedule:

Particulars	Others	Disputed Dues-MSME	Disputed Dues-Others
Less than 1 Year	3.01	-	-
1 To 2 Years		-	-
2 To 3 Years		-	-
Above 3 Years		-	-
TOTAL	3.01	-	-



Sai Maatarini Tollways Limited**Summary of Significant Accounting Policies and Other Explanatory Information**

(All amounts in ₹ in lacs unless otherwise stated)

10 Other financial liabilities

Particulars	As at	
	31st March 2024	31st March 2023
Current maturities of long-term borrowings	147,054.54	147,054.54
Interest accrued and due	142,968.15	115,500.82
Total payable to Banks & Financial Institutions	290,022.69	262,555.36
Termination Payments made to Lenders	(78,026.54)	(45,226.54)
Total payable to Banks & Financial Institutions	211,996.16	217,328.83
Payable to related parties	596.97	581.41
	<u>212,593.13</u>	<u>217,910.24</u>

11 Other current liabilities

	As at	
	31st March 2024	31st March 2023
Statutory dues payable	0.01	0.19
	<u>0.01</u>	<u>0.19</u>

12 Other Income

	For the Year Ended	
	31st March 2024	31st March 2023
Interest on TDS refund	0.32	60.40
Payables Written Back	51.34	3,561.40
	<u>51.66</u>	<u>3,621.80</u>
Other Income from Discontinued operations	51.66	3,621.80
Other Income from Continuing operations	-	-



Sai Maatarini Tollways Limited**Summary of Significant Accounting Policies and Other Explanatory Information**

(All amounts in ₹ in lacs unless otherwise stated)

13 Employee benefits expense

Particulars	For the Year Ended	
	31st March 2024	31st March 2023
Salaries and wages	5.00	5.50
	<u>5.00</u>	<u>5.50</u>
Employee benefits expense from Discontinued operations	5.00	5.50
Employee benefits expense from Continuing operations	-	-

14 Finance costs

Particulars	For the Year Ended	
	31st March 2024	31st March 2023
Interest on borrowings		
Interest on senior debts	23,813.89	22,391.35
Interest on sub debts	3,653.44	3,185.19
Other finance costs	47.20	-
	<u>27,514.53</u>	<u>25,576.55</u>
Finance costs from Discontinued operations	27,514.53	25,576.55
Finance costs from Continuing operations	-	-

15 Other expenses

Particulars	For the Year Ended	
	31st March 2024	31st March 2023
Travelling & Conveyance	0.02	0.48
Legal & Professional Expenses	24.76	8.60
Bad & Doubtful Debts Written Off	-	1,029.02
Filing Fee	0.31	-
Postage and Courier	0.03	0.00
Audit Fee	2.07	2.07
Printing & Stationery	0.06	-
Bank Charges	-	1.18
Interest on TDS & GST	0.00	-
Director Sitting Fee	1.30	1.24
Other Expenses	0.03	-
	<u>28.56</u>	<u>1,042.59</u>
Other expenses from Discontinued operations	28.56	1,042.59
Other expenses from Continuing operations	-	-



Sai Maatarini Tollways Limited**Summary of Significant Accounting Policies and Other Explanatory Information**

(All amounts in ₹ in lacs unless otherwise stated)

16 Statement of Profit and Loss from discontinuing operations for the Year ended 31st March 2024

Particulars		For the Year Ended	
		31st March 2024	31st March 2023
Income			
Other Income	12	51.66	3,621.80
Total income		51.66	3,621.80
Expenses			
Employee benefits expense	13	5.00	5.50
Finance costs	14	27,514.53	25,576.55
Other expenses	15	28.56	1,042.59
Total expense		27,548.09	26,624.64
Loss before tax from Discontinuing operations		(27,496.44)	(23,002.84)
17 Earnings / (loss) per equity share		(274.94)	(230.01)

Basic EPS amount are calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of equity shares outstanding during the year.

The following reflects the income and shares data used in the basic EPS computations:

Particulars	For the Year Ended	
	31st March 2024	31st March 2023
Loss attributable to equity holders of the Company	(27,496.44)	(23,002.84)
Weighted average number of equity shares in calculating basic EPES	10,000,843	10,000,843
Nominal value per equity share (Rs.)	10.00	10.00
Effect of dilution:		
Weighted average number of equity shares used in computation of diluted EPES*	10,000,843	10,000,843

*The weighted average number of shares takes into account the weighted average effect of changes in treasury share transactions during the year. There have been no other transactions involving equity shares or potential equity shares between the reporting date and the date of authorisation of these financial statements.



Sai Maatarini Tollways Limited

Summary of Significant Accounting Policies and Other Explanatory Information

(All amounts in ₹ in lacs unless otherwise stated)

18 Financial Risk Management

The company's activities expose it to variety of financial risks : market risk, credit risk and liquidity risk. The company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board of Directors has established a risk management policy to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management systems are reviewed periodically to reflect changes in market conditions and the Company's activities. The Board of Directors oversee compliance with the Company's risk management policies and procedures, and reviews the risk management framework.

A) Market risk

The market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk.

i Foreign Currency Risk

Foreign currency risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rate.

The company is not exposed to foreign currency risk as it has no borrowing in foreign currency.

ii Interest rate risk

The company is exposed to interest rate risk because it borrows funds primarily at floating interest rates. However, the interest rates are dependant on base rates/prime lending rates of the lead bank which are not expected to change very frequently and the estimate of the management is that these will not have significant upward trend.

iii Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk).

The company measures risk through sensitivity analysis.

The company's risk management policy is to mitigate the risk by investments in diversified mutual funds.

The company is not exposed to price risk as it has no investment.

B) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial assets.

The company is exposed to liquidity risk due to bank borrowings and trade and other payables.

The company measures risk by forecasting cash flows.

The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due without incurring unacceptable losses or risking damage to the Company's reputation. The Company ensures that it has sufficient fund to meet expected operational expenses, servicing of financial obligations.

C) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

The company generally does not have trade receivables as collection of toll income coincide as and when the traffic passes through toll - plazas. Hence, the management believes that the company is not exposed to any credit risk.



Sai Maatarini Tollways Limited
Summary of Significant Accounting Policies and Other Explanatory Information

(All amounts in ₹ in lacs unless otherwise stated)

19 Disclosure pursuant to Ind AS 12 - "Income taxes"

The Company does not have taxable income and hence provision for current tax has not been made. No deferred tax asset/ liability arises and accordingly no provision is made in the accounts.

20 Commitments

Particulars	As at	
	31st March 2024	31st March 2023
Estimated amount of contracts remaining to be executed on Capital Account not provided for	-	-
Other commitments	-	-

21 Contingent items

Particulars	As at	
	31st March 2024	31st March 2023
Claims against the company not acknowledged as debt	-	-
Dispute of GST between Company and the Department with respect to termination payment	18,293	26,565
Guarantees	-	-
Other money for which the company is contingently liable	-	-

22 Related party disclosures
Name of related parties and nature of relationship
Names of the related parties

Gayatri Highways Ltd

Gayatri Projects Ltd

T.V Sandeep Kumar Reddy

Y. Bhavani (CFO)

R. Srihari (Manager)

Devansh Garg (Company Secretary)

Nature of relationship

Holding company

Enterprises in which Key Management personnel and/or their relatives have significant influence

Director

Key Management personnel

Key Management personnel

Key Management personnel

Transactions with related parties during the period

Particulars	Year ended	
	31st March 2024	31st March 2023
Gayatri Highways Ltd		
Amounts received for expenses	17.65	515.40

Balances receivable/(payable)

Particulars	As at	
	31st March 2024	31st March 2023
Gayatri Highways Ltd		
Instrument entirely equity in nature	(10,016.00)	(10,016.00)
Reimbursement of expenses	(596.96)	(581.41)



Sai Maatarini Tollways Limited

Summary of Significant Accounting Policies and Other Explanatory Information

(All amounts in ₹ in lacs unless otherwise stated)

22 Related Party Disclosures (Continued..)

Note: During the financial year 2022-23, the Board of Directors of the Company at their Meeting held on 03.05.2023 has approved to write back the balances which were payable to related parties and the NHAI in the books of accounts as the project was terminated and a settlement agreement was signed with the NHAI towards full and final settlement of all the dues and the same shall be distributed to Lenders and the statutory authorities.

The road project was terminated by the NHAI vide its letter dated 28.01.2020. Prior to which, the NHAI has issued a notice of intention to terminate the project, where in it is specifically mentioned that due to the inefficiency and the non completion of Punch List works, non completion of Change of Scope, Breach of Operation and maintenance, non completion of toll plaza facilities, balance works of the project, the authority intends to terminate the project. Gayatri Projects Limited (GPL), who is the EPC and O&M Contractor of the project, failed to operate efficiently and all the above lapses are retributable to Gayatri Projects Limited, due to their non performance, the NHAI has terminated the project and SPV has incurred huge losses.

Subsequently, the NHAI has recovered an amount of Rs 115.54 crores on account of breach of agreement as recommended by the Project Director while disbursing the part of the termination payment as per NHAI letter dated 06.07.2021.

After considering the recovery of Rs. 115.54 Crore from GPL, the balance will be Rs. 101.47 Crore receivable from GPL

Further, it may be noted that, upon signing of the settlement agreement with NHAI by the Company, apart from the termination payment which is full and final, no amounts shall be receivable by the Company and the entire termination payment is distributed to the lenders of the project in settlement of their dues and to the statutory authorities to remit the statutory liabilities.

Accordingly, on the above basis, no amount can be paid to the Gayatri Projects Limited and infact GPL has to indemnify the SPV. Accordingly, no amount is due to GPL from the SPV and the same are being written back in the books of accounts of the Company in FY 2021-22. The details are as below:

S.No	Particulars	Closing Balance (Cr)	Closing Balance (Dr)
1	GPL-Change of Scope Work Advance	-	54,541,708
2	Secured Advance	-	46,560,294
3	GPL-EPC Contractor A/c	131,310,689	-
4	GPL-Change of Scope Work Payable	10,745,916	-
5	GPL-Electrical Utility Shifting Work Payable	1,631,110	-
6	GPL-RWS&S Utility Shifting Work Payable	683,097	-
7	GPL - Govt. & Religious Structure Work Payable	1,291,285	-
8	GPL-Maintenance Work Payable	223,925	-
9	GPL-Tree Cutting Work Payable	1,102,855	-
	Sub Total	146,988,877	
10	GPL -Retention towards Mobilization	1,700,000	-
11	Retention Money Payable EPC Works	90,369,545	-
12	Retention Money Payable -Maintenance works	559,813	-
13	Retention Money -Utility Shifting	2,032,101	-
14	Withheld Amount payable Maintenance Work	159,000	-
15	Retention Money Receivable - Labour Cess A/c	49,758,698	-
	Sub Total	144,579,157	
	Total	291,568,034	101,102,002
	Net Credit Balance		190,466,032

Note: In addition to above claims payable of Rs.22,745 lakhs to GPL has also been written off in FY 2021-22.



Sai Maatarini Tollways Limited

Summary of Significant Accounting Policies and Other Explanatory Information

(All amounts in ₹ in lacs unless otherwise stated)

23 Disclosure pursuant to Ind AS 23 "Borrowing Costs"

Borrowing cost capitalised during the year : Rs Nil

24 There have been no transactions during the year with Micro, Small and Medium Enterprises covered under the Micro, Small and Medium Enterprises Development (MSMED) Act 2006.

25 Foreign Currency Transactions

(i) Expenditure in Foreign Currency	Nil
(ii) CIF value of Import	Nil
(iii) FOB value of Export	Nil
(iv) Earnings in Foreign Exchange	Nil
(v) Remittance in Foreign Exchange	Nil

26 Disclosure of segment information pursuant to Ind AS 108 "Operating Segments"

The Company is engaged in the business of construction, operation and maintenance of Toll road projects on a Build Operate Transfer basis in a single business segment. Hence reporting of operating segments does not arise. The Company does not have operations outside India. Hence, disclosure of geographical segment information does not arise.

27 Status of the Project and Termination Payment:

a. Termination of the Project

The Company has issued "Termination Notice for Force Majeure (Political Event)" on 27th March, 2019.

On 10th April 2019, NHAI also has issued an Intention for Termination under Clause 37 of the Concession Agreement (CA). Company on 25th April, 2019, replied to the said notice, negating each and every point referred to in the said letter.

The Lenders had exercised their Right to Substitution of concessionaire vide their letter dated 24.04.2019. The NHAI has decided to withhold their termination of the concession agreement for a period not exceeding 180 days from the date of representation of lenders representative i.e 24.04.2019. The Lenders representative (IDBI) had a meeting with the Chairman of the NHAI at Delhi on 30.09.2019, the substitution period was further extended by 90 days at Lender's request. Even after extending further period of 90 days, the Lenders Representative was unable to find a substitute for the Concessionaire.

There after NHAI terminated the Concession Agreement vide their letter dated 28.01.2020 and the project assets have been handed over to the NHAI at 08.00 AM on 30.01.2020

The Company, based on Authority's default, has raised a claim of Rs. 2,83,447 Lakhs (which includes Equity of Rs.83,519 Lakhs and Total Debt Due of Rs.1,99,928 Lakhs) strictly adopting the relevant clauses of the Concession Agreement.

b.Appointment of Financial Advisor by the Company

The Company has engaged an independent expert as an exclusive financial advisor for the following services:

- a) Detailed review of the project documents, financing agreements, capital structure for the project.
- b) Assistance in drafting, reviewing and submission of all correspondences and representations required before the Authority.
- c) Negotiate with NHAI on termination payment.
- d) Regular strategic representations and continuous follow up with the Authority and actively attend and participate in all the meetings along with the Company and in all the conciliation meetings with NHAI and Conciliation Committee.

The expert has submitted their report dated 16.11.2020 which consists of 2 different modes of calculation for Termination payment:

CASE-I: The amount of Termination Payment in case of Political Force Majeure event comes to Rs. 2,296.67 cr. (Rs.1,997.89 Cr as 100% of Debt Due & Rs.298.78 Cr as 150% of Adjusted Equity)

CASE-II: The NPV of the asset is calculated on the basis of Free Cash Flow to Firm (FCFF) for residual period of Concession period as on Transfer date i.e. 28.01.2020. This amount comes to Rs. 2,918.62 Cr.

Based on the report, SMTL wrote a letter to NHAI GM (T) dated 17.11.2020 requesting to release the Termination payment.



Sai Maatarini Tollways Limited

Summary of Significant Accounting Policies and Other Explanatory Information

(All amounts in ₹ in lacs unless otherwise stated)

27 Status of the Project and Termination Payment: (Continued..)

c.NHAI Financial Consultant Recommendation on Termination Payment Calculations

NHAI has appointed M/s Fortress Infracon Limited as the Financial Consultant for calculating the Termination Payment to SMTL.

As per the Financial Consultant recommendations, NHAI in the month of February 2021 has calculated the Senior Debt as Rs. 614.69 crs outstanding as on transfer date and termination payment of Rs.584.21 crs on account of Concessionaire Event of Default. As per the NHAI Letter dated 06.07.2021, Out of Rs.584.21 crs, NHAI has deducted Rs. 115.54 crs towards recoveries due to breach of agreement and has remitted the termination payment of Rs.346.06 crore and Rs.106.20 crore on March 31, 2021 and April 06, 2021 respectively to the Escrow Account of SMTL after deducting TDS and GST, which was distributed among the lenders proportionately. The total Termination Payment received from NHAI is Rs.468.66 Cr. However, SMTL has not accepted the Termination Payment calculations made by NHAI.

SMTL has not accepted the Termination Payment calculations made by NHAI and has written letters to NHAI about the clarifications regarding Termination Payment vide letter dated 17.04.2021 and 10.06.2021. The matter was later referred to Conciliation Committee of Independent Experts (CCIE).

As per the NHAI's Policy and Guidelines on the conciliation, the Technical Wing of NHAI should hold preliminary discussions with the Company for expeditious settlement, which the CCIE 2 has been suggesting since long. The Company is in discussions with NHAI regarding the disputes, NHAI has referred all disputes to their internal committee i.e CGM Committee to discuss and offer a certain settlement amount to the Concessionaire.

The Sponsors and the Company has insisted and impressed on the NHAI to improve the Termination Payment by more than Rs.300 crs. Accordingly the Termination Payment was revised from Rs.468.66 Crs (in February 2021) to Rs.796.50 Crs (in March 2022) by NHAI.



Sai Maatarini Tollways Limited

Summary of Significant Accounting Policies and Other Explanatory Information

(All amounts in ₹ in lacs unless otherwise stated)

The matter is also presented before the CCIE in the meeting held on 22nd April 2022 and the CCIE suggested that there should be a give and take policy from both the parties. CCIE also expressed that their above views may be accepted by the Company for the overall amicable settlement of Termination Payment.

All Banks meeting with NHAI to discuss on the Termination Payment Amount

The Company has arranged a meeting with the officials of NHAI on 10th March 2022 at NHAI HQ with all the Lenders of the Project to discuss on the Termination Payment calculations. In the said meeting Lenders have sought time from NHAI for forwarding their queries on the Termination Payment. The Lenders have given their observations, which was forwarded to NHAI by the Company letter vide dated 20th April 2022. NHAI has reviewed the same in consultation with Finance Division, NHAI HQ, New Delhi and informed that the calculations of the Termination Payments are based on the prevailing Guidelines vide their letter dated 28th April 2022.

The guidelines for calculating the Termination Payment are based on the following:

- 1) Concession Agreement signed between NHAI and Sai Maatarini Tollways Limited vide dated 28th September 2011.
- 2) NHAI Circular and Policy Guidelines No.8.4.24/2021 dated 3rd February 2021.

A joint meeting of IDBI and SMTL officials with Chairman of NHAI, held on March 17, 2023 at NHAI, HQ, New Delhi, to discuss on the status of release of balance termination payment by NHAI. It was briefed to the lenders that, during the discussions, NHAI has informed that release of balance termination payment of Rs.337.20 crores is in advance stage and likely to be completed before end of March 2023. Further, NHAI officials had enquired about the distribution of termination payment and status of lenders views on allowing SMTL to execute full & final settlement agreement with NHAI. It was appraised to NHAI that lenders at its meeting held on November 30, 2022 had unanimously agreed and advised SMTL to enter into settlement agreement with NHAI.

Discussions of the Consortium meeting held on 21st March, 2023.

A Joint lenders meeting was proposed to be conducted on March 21, 2023 to discuss the way forward about the termination payment.

IDBI Bank appraised the forum about the joint meeting of IDBI and SMTL officials with Chairman of NHAI, held on March 17, 2023 at NHAI, HQ, New Delhi, to discuss on the status of release of balance termination payment by NHAI. It was briefed to the lenders that, during the discussions, NHAI has informed that release of balance termination payment of Rs.337.20 crores is in advance stage and likely to be completed before end of March 2023. Further, NHAI officials had enquired about the distribution of termination payment and status of lenders views on allowing SMTL to execute full & final settlement agreement with NHAI. It was appraised to NHAI that lenders at its meeting held on November 30, 2022 had unanimously agreed and advised SMTL to enter into settlement agreement with NHAI. Further, IDBI officials also confirmed to NHAI that the termination payment to be released by NHAI would be credited to Escrow Account with IDBI Bank and appropriated towards lenders dues. Also, it was informed to NHAI that out of 9 lenders, the settlement proposal submitted by the company was approved by IDBI Bank [Lead Bank], PNB, LIC and other member Banks are in the process of obtaining approval from Delegated Authorities. Accordingly, requested NHAI to release the balance termination payment in Escrow account by March 24, 2023.

In this background, IDBI Bank requested member Banks to update OTS approval status. It was updated that majority of the other lenders are in the process of obtaining sanction.

During discussion, IOB and Central Bank of India requested certain additional information from Lead Bank / SMTL, which was assured to be provided.

IDBI Bank further informed the lenders that it has received claim notice from GST Department for payment of Rs. 123.74 crores on December 02, 2022 (dated November 24, 2022) and requested company officials to appraise the lenders on the pending GST matter.

Company officials informed that GST Department is demanding payment of GST tax, interest and penalty aggregating to an amount of Rs. 193 Crores and Company has taken up the matter with GST authorities for amicably resolve the issue at the earliest and assured to settle the GST matter without any repercussion to the Lenders. Company officials further stated that they are requesting NHAI to release the balance Termination payment without subjecting the same to GST.

At the meeting, lenders again reiterated their stand that the balance termination payment of Rs.337.20 crores from NHAI would be full and final settlement from NHAI, and advised SMTL to complete the formalities for release of termination payment from NHAI before end March 2023 and also to execute necessary documents.



Sai Maatarini Tollways Limited

Summary of Significant Accounting Policies and Other Explanatory Information

(All amounts in ₹ in lacs unless otherwise stated)

27 Status of the Project and Termination Payment: (Continued..)

Company's request to the Lenders

1) SMTL has requested the Senior and Sub-Debt Lenders to accept the above said amount of Rs.796.50 Crs (Termination Payment of Rs.796.50 Crs Less: Rs.468.66 Crs already paid by NHAI to the Lenders – Net Termination Payment receivable after Statutory Deductions = Rs.314.72 Crs), which is towards full and final settlement of all existing, past and future dues, including penalties, processing charges, late payment charges etc., such that on payment of the Termination Payment by NHAI through the Company, SMTL, its Sponsors, Promoters, Guarantors and NHAI Liabilities towards the Senior and Sub-Debt Lenders, contingent or crystallized, stand irrevocably extinguished including outstanding principal, interest due and payable, accrued and unpaid interest, penal interest and other charges.

The Senior and Sub-Debt Lenders have no further claim of any nature against SMTL, its Sponsors, Promoters, Guarantors and NHAI, upon approving the above Termination Payment.

- 2) Request to combinedly look into the Termination Payment and not to insist for any right to recompense.
- 3) Request not to insist on Corporate Guarantee and relieve Corporate Guarantor / Sponsor by accepting the Termination Payment as full and final settlement amount.
- 4) Drop DRT proceedings and all other proceedings initiated by the Lenders immediately and no future legal proceeding should be initiated against the Company, Sponsors, Guarantors and NHAI
- 5) Kindly give your sanction in-line with the Lead & Escrow Bank i.e., IDBI Bank Limited.

Upon receipt of the Termination Payment, the Lenders shall issue the following Letters to the Company and the Security Trustee:

- i. No-due certificate within 1 week.
- ii. Releases of Pledge, Security & Charges created on the Project Assets under the Project & Financing Documents and instruct Security Trustee for handing over all the documents which are under the custody of the Lenders/Security Trustee.

c. Recognition of claims and derecognition of Intangible asset and Intangible asset under development

In view of the termination of the project as stated above the company in the year 2019-20 had derecognised carrying value of the intangible asset Rs.1,77,446 Lakhs and intangible asset under development Rs.782 lakhs aggregate derecognition of Rs. 1,78,228 lakhs. Keeping in view, the recommendation by PD NHAI and RO NHAI Bhuvaneshwar, the company recognised claims to the extent of Rs.1,78,228 Lakhs, being aggregate amount of derecognition of intangible asset and intangible asset under development.

d. Application signed by both NHAI & the company to keep the court proceeding on hold for a minimum period of 180 days

GM(T) of NHAI wrote a letter to the company requesting to submit the Joint Application to be filed before Arbitral Tribunal/Court to keep the court proceeding on hold for a minimum period of 180 days vide their letter no 150796 dated 11.03.2020.

Joint Application letter under section 151 CPC seeking suspension of the instant proceeding for a minimum of 180 days was signed by the Authorized representatives of both NHAI and the Company on 21.05.2020

The Company and NHAI jointly filed an application on 27.05.2020 before the High Court of Delhi, New Delhi to keep the proceeding on hold for a minimum period of 180 days for commencement of Conciliation proceedings as per the policy guidelines of NHAI.

The High Court of Delhi heard the above application on 29.05.2020 and passed an Order to put all the proceeding on hold for a minimum period of 180 days for commencement of Conciliation proceedings as per the policy guidelines of NHAI.

As the Termination payment issue is still pending at the Conciliation committee, SMTL and NHAI will jointly submitted an application before the Honorable High Court of Delhi for extension of adjournment of Section 9 petition for another 5 months and the proceedings are adjourned to 06.05.2021.

The Company & NHAI have opted for resolving the dispute through the Conciliation Mechanism constituted by NHAI, since the conciliation route ensures amicable settlement of claims in a faster, fairer and transparent manner. Hence the matter is currently under the Conciliation Committee of Independent Experts (CCIE-2).



Sai Maatarini Tollways Limited**Summary of Significant Accounting Policies and Other Explanatory Information**

(All amounts in ₹ in lacs unless otherwise stated)

27 Status of the Project and Termination Payment: (Continued..)**e. Conciliation Committee - Amicable Settlement**

NHAI and the Company have agreed to pay a termination payment to lenders amounting to INR 968.02 crores. The details of the termination amount released by NHAI are as follows.

S. No.	Details	Gross Termination amount	IT-TDS	Net Amount (Rs. In Lac)
1	Termination Payment-Tranche-1 released	35,861	538	35,323
2	Termination Payment-Tranche-2 released	10,006	15	9,991
3	Termination Payment-Tranche-3 released	999	150	849
4	Termination Payment-Tranche-4 released	574	11	563
5	Termination Payment-Tranche-5 released	32,209	33	32,176
6	Balance Termination to be released	17,153		17,153
	Total Termination Amount	96,802	747	96,055
7	Less: Amount Received on 31 March 2021			34,606
8	Less: Amount Received on 05 April 2021			10,620
9	Less: Amount Received on 14 August 2023			563
10	Less: Amount Received on 09 October 2023			33,114
	Total Amount Released			78,903
	Balance Amount receivable			17,153

28 Settlement Agreement with NHAI on March 30, 2023

During the Consortium meetings, the Company officials have appraised and requested the lenders to note that the agreement with NHAI would be full and final settlement and agreed to follow as per the advice of the lenders to either sign the agreement or to go ahead with further arbitration that may be prolonged for over few years. Thereafter, lenders deliberated on the way forward and unanimously agreed and advised SMTL to enter in to the settlement agreement with NHAI at the earliest.

Further, again in the consortium meeting held on 21.03.2023 lenders again reiterated their stand that the balance termination payment of Rs.337.20 core from NHAI would be full and final settlement from NHAI, and advised SMTL to complete the formalities for release of termination payment from NHAI before end March 2023 and also to execute necessary documents.

Accordingly, In connection with the termination of the project, the Company has entered in to a Settlement agreement with NHAI on 30.03.2023 towards the full and final settlement of all dues and Claims and both the parties (NHAI and the Company) shall not have any rights and obligations towards each other as per the settlement agreement. As per the settlement agreement, the termination payment of Rs 968.03 cores was agreed by the parties, of which an amount of Rs 796.50 crores was received by the Company and the balance of the termination payment amounting to Rs 171.53 crores were to be received.

Subsequently, the Deputy Commissioner of CT & GST, Keonjhar circle has issued a letter to the Project director, NHAI dated 31.03.2023 with regard to the realisation of the government dues (GST) pending against the Company for the period April 2020 to April 2021, wherein it was mentioned to recover the government dues on priority basis as per the provisions of the law, if any amount is becoming due to him from your office. Accordingly NHAI has not disbursed the balance termination payment amount as on 31.03.2023.

The NHAI has released the appeal Fee of Rs.5.62cr to SMTL on 14.08.2023 on request of the Lead Bank. The Company had paid the appeal fee and filed the appeal to the appellate authority, GST department, Cuttack. The Appeal application was accepted and issued the form APL-02. The Company has submitted the APL-02 to the GST Department and requested to remove the stay and allow NHAI and IDBI Bank to release the balance Termination Payment. The NHAI has released the remaining termination payment of Rs.331.14 crs to the Company on 09.10.2023 to the Escrow Bank (IDBI Bank). The Lead banker (IDBI Bank) has released the amount of Rs.328.00 crs out of Rs.331.14 crs to the Senior Lenders.



Sai Maatarini Tollways Limited

Summary of Significant Accounting Policies and Other Explanatory Information

(All amounts in ₹ in lacs unless otherwise stated)

29 Current Status of GST Litigation

During the previous year, the Company had received the demand notices from the GST authorities aggregating to an amount of Rs 206.64 crores. During the year, the GST audit for the FY 2017-18 and 2018-19 was completed and the GST department has raised a demand of Rs.16.52 lacs against which the Company has file an appeal to the Appealte Authority. Now, the total GST liability stands Rs. 182.93 Crore excluding interest applicable till date. Against this liability, NHAI has withheld an amount of Rs. 171.53 Crore from the total termination payable to SMTL as per the Settlement Agreement dated 30.03.2022 entered with NHAI.

30 a. Application before Debt Recovery Tribunal (DRT)

IDBI Bank Limited (Lead Lender) on behalf of all the consortium lenders filed a case against M/s Sai Maatararini Tollways Limited and its directors and M/s Gayatri Projects Limited & M/s IDBI Trusteeship Services Limited under sub-section (4) of Section 19 of the Debt Recovery Tribunal Act, read with Sub Rule(2A) of Rule 5 of the Debt Recovery Tribunal (Procedure) Rules, 1993, which was listed before Hon'ble Debts Recovery Tribunal-1 on 23.09.2020

Hon'ble Tribunal issued summons on the said Application under Section 19 (4) of the Act, (OA) filed against M/s Sai Maatararini Tollways Limited and its directors and M/s Gayatri Projects Limited & M/s IDBI Trusteeship Services Limited for recovery of debts of Rs.2051,21,51,325.42 Ps on 05.10.2020, and directed the Company to file Written Statement. However, the Company has not received copy of the subject O.A. The Company requested Hon'ble Debts Recovery Tribunal-1 to furnish copy complete set of O.A along with documents on 22.10.2020.

The Company has not yet filled any counter petition till 21.04.2022. After multiple listings from 30.10.2020 to 21.01.2022, the Company is yet to file counter petition.

The Company has informed DRT that IDBI Bank has filed before the Hon'ble National Company Law Tribunal, Hyderabad Bench under section 7 of The Insolvency and Bankruptcy Code, 2016, read with the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016.

b. Application before National Company Law Tribunal (NCLT) (Case No. IB (IBC)/32(HYD)2024)

The Financial creditor i.e lenders have filed before the Hon'ble National Company Law Tribunal, Hyderabad Bench under section 7 of The Insolvency and Bankruptcy Code, 2016, read with the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016 to declare SMTL as insolvent. The Company has received notice from NCLT. The date of hearing is scheduled on 27th May 2024 for admission under IBC.

c. Non-receipt of Confirmations/Statements from Lenders

Consequent to defaults by the Company, the Lenders have classified the borrowings as non performing assets (NPA) in the earlier years, in view of the company's non compliance to debt servicing obligations as per the contracted terms. The Lenders have recalled the loans and the Company is negotiating with the banks for a settlement. In view of this, these lenders have stopped issuing confirmation balances and statements of account. In the absence of same, the Company has recognised the interest and other financial costs in accordance with the contract terms. Differences, if any, between the carrying value of liabilities in the books of account and the claims by the respective lenders, would be recognised in the year of final settlement.



Sai Maatarini Tollways Limited

Summary of Significant Accounting Policies and Other Explanatory Information

(All amounts in ₹ in lacs unless otherwise stated)

31 GST Liability - Claims not recognised and acknowledged by the Company

The GST department, Odisha has raised demand notices on M/s. Sai Maatarini Tollways Limited under section 74 and Section 56 of the GST Act. The details of the same are given below:

S.No	Details of GST Demand Notices	Amount in Crs	Amount in Crs	Remarks
1	Order No. ZD2102220171838; dated 24/02/2022	28.85	123.75	Appeal Filed
2	Order No. ZD2102220171862; dated 24/02/2022	94.90		
3	Order No. ZD2112230334508; dated 28/12/2023		0.17	Appeal Filed
	GST Demand raised till date		123.92	
4	GST Dept may raise further demand on Termination payment released during the year of Rs. 327.83 Cr		59.01	
	Total Demand		182.93	

Compliance under the GST Act:

Tax Assessment & Demand:

The learned assessing officer, DC, CT&GST, Keonjhar Circle,

(a) Assuming the payment to be against Works Contract;

(b) Without due verification of fact;

(c) Ignoring information and submissions on file that the payments were towards Termination of Concession Agreement; and

(d) Without following prescribed procedures under the law;

passed orders under Sec 74 of the Act dated February 24, 2022 raising demand of tax, interest and penalty of Rs. 123.75 Crores.

NHAI has issued a letter stating that the GST TDS is not applicable on Termination Payments vide their letter dated 31.03.2022. SMTL has requested the the Deputy Commissioner ('DC') of CT&GST, Keonjhar Circle, Jajpur, Odisha to kindly intervene and to give direction for rectification of the order; in order to avoid litigation and hardship to the company both financially and other resources. Subsequently, on 5th July 2022, the Commissioner of GST has heard the case and has requested for further details and the Company has duly submitted the same.

The Company has filed an application for rectification of order under section 161 of the CGST/SGST Act, 2017 on 20th August, 2022.

Further as per advice of NHAI, the Company has rejected the GST TDS on GST portal on 13.10.2022 and informed NHAI to seek refund from GST department. Subsequently, on 19th October, 2022, the Deputy Commissioner of State tax, Keonjhar Circle, Keonjhar has rejected our application filed for rectification under section 161 of the CGST/SGST Act

Then, the Company has filed a manual appeal application on 11.01.2023 before Additional Commissioner Appeals of CT and GST, Cuttack and the order was passed on 29th April 2023, observing that the impugned order was passed dated 19th October, 2022 u/s 161 of the Act and instructed the learned proper officer to hear and dispose off the application filed by the Appellant under section 161 of the Act.

However, the application filed under Section 161 for rectification of errors was rejected by DCCT, Keonjhar vide the order dated 27th June, 2023 (received on 07.07.2023).



Sai Maatarini Tollways Limited

Summary of Significant Accounting Policies and Other Explanatory Information

(All amounts in ₹ in lacs unless otherwise stated)

32 GST Liability - Claims not recognised and acknowledged by the Company

NHAI, RO, Bhubaneswar and PD, Keonjhar have kindly called a meeting immediately through video conferencing on 10th July 2023 at 6 pm to discuss the way forward. The meeting was held among the NHAI officials, IDBI (Lead Bank) officials, SMTL officials, Sr. Council of SMTL Sri Bibekanand Mohanti, Company's Consultant CA Mr. Pravat Jena, NHAI consultant CA Mr. Mihir Sahu and Advocate Mr. Sachitra Das. All the participants have actively participated in the meeting.

All the participants have unanimously agreed that SMTL shall file an appeal before the Commissioner (Appeals) against the rejection order dated 27th June, 2023 passed by DCCT, Keonjhar

Subsequently, the Company has filed an appeal before the Commissioner (Appeals) on 14th September, 2022 and 22nd September, 2022 respectively and hearing notice is received which is scheduled on 09th November, 2023. Later the same was adjourned to 04th January, 2024 and subsequently the personal hearing was attended on 22nd March, 2024. The final order by the Appellate Authority is awaited.

33 Write back of Net Amount Payable to NHAI and Receivable from NHAI as on 31st March 2024

a. M/s Sai Maatarini Tollways Limited has developed a section of the NH-215 as a BOT (i.e., Build, Operate and Transfer) project on DBFOT (i.e., Design, Build, Finance, Operate & Transfer) pattern under NHDP Phase-III, basis concession agreement with National Highways Authority of India ("NHAI"), Ministry of Road Transport & Highways, Govt. of India, signed on 28-09-2011. The development of the highway project was completed on 08-08-2017. The project commenced its commercial operation and collection of toll charges on 17-08-2017. The Project was terminated by the NHAI vide its letter dated 28.01.2020 due to non-completion of Punch List works, Change of Scope works, breach of Operation and maintenance, non-completion of toll plaza facilities, balance works of the project etc.

b. SMTL vide letter dated 03.02.2020 and 28.02.2020 demanded Termination Payment of Rs.2834.47 Crore and Claims for damages of Rs.974.49 Crore.

c. In the meanwhile, SMTL directly approached Hon'ble Delhi High Court and filed a petition under Section 9 of the Arbitration and Conciliation Act, 1996 before Hon'ble High Court of Delhi on 24.12.2019, namely O.M.P (I) (COMM) 507/2019 & I.A. 18439/2019, with a prayer to direct Authority for release of Termination Payment. During the hearing on 22.03.2022, SMTL sought to withdraw the case without prejudice to its rights and contentions including the right to approach the Arbitral Tribunal. The Hon'ble Delhi High Court dismissed the petition as withdrawn with the aforesaid liberty.

e. Finance Division, NHAI HQ, worked out Termination Payment as per NHAI guidelines dated 03.02.2021 considering termination on account of Concessioner's default. The Executive Committee (EC) approved the Termination Payment of Rs.584.21 Crore (excluding interest). Thus, a total amount of Rs 468.67 Crore was released after deduction of IT-TDS, GST-TDS and recoveries of Rs.115.54 Crore towards Penalty & Counter-Claims of NHAI.

The Sr. Lenders of the project have distributed the above amount of Rs. 452.27 Crore among the consortium of lenders.

f. NHAI PIU while releasing the above interim Termination payment, had deducted GST on Termination Payment. In compliance to GST law, NHAI has submitted GSTR-7 return to the GST Authorities reflecting the TDS payment in the said return. The Company has objected the deduction of GST-TDS vide letter dated 12.07.2021 stated that GST is not applicable on Termination Payment and requested for reimbursement of Rs 9.37 Crore.

On the basis of the GST-TDS reflecting in GSTR-2A of the Company, the GST Authorities have assumed the amount received by the company is towards works contract and issued the GST demand of Rs. 123.75 Crore on 24.02.2022.

The company has filed an application before the Commissioner of CT & GST, Odisha, Cuttack, on 10th May, 2022 requesting revision of the above referred orders under Section 108 of the Act. After due hearing on the application, the commissioner has passed an order dated 3rd August, 2022 citing non maintainability of the application and directed the company to approach the adjudicating authority for rectification.



Sai Maatarini Tollways Limited

Summary of Significant Accounting Policies and Other Explanatory Information

(All amounts in ₹ in lacs unless otherwise stated)

33 Write back of Net Amount Payable to NHAI and Receivable from NHAI as on 31st March 2024 (Continued..)

Subsequently, the company has filed the rectification application u/s 161 to the Adjudicating Authority but the same was also rejected by the authority on 19.10.2022. Since, the Company has no funds for filing appeal and the banks accounts were freezed by the bank, the company has filed manually before the appellate authority. The appellate authority has passed an order saying that the order of DCCT under Sec 161 of the Act is not sustainable and observed that pursuant to the Circular No.178/10/2022-GST; dated August 3, 2022, issued by the Central Govt. prima facie the termination payment is not taxable under GST Act and hence directed the DCCT to hear and dispose of the application of the appellant under Sec 161 of the Act taking in to consideration all the documents, submissions & Circular. Pursuant to the order, the Ld DCCT heard the Appellant on 07-06- 2023 and passed an order dated 27.06.2023, rejecting the application under Sec 161 of the Act.

Subsequently, NHAI, SMTL and IDBI Bank collectively decided to go for filing online appeal by paying 10% of GST demand. NHAI has released Rs. 5.63 Crore to the Escrow A/c maintained with IDBI Bank on 14.08.2023 and the same was paid to GST department towards filing of appeal. After payment, the company has filed appeal and the hearing for the same was conducted on 22.03.2024. The order of the appellate authority is awaited.

g. At the 3rd meeting of the Conciliation Committee held on 22.04.2022 NHAI stated that both the parties have broadly agreed that the basis of Termination Payment would be the mid-point of the amounts on the basis of NHAI's default & Concessioner's default. As per this calculation, the amount of Termination payment arrived at Rs.968.03 Crore.

h. Under the above discussions and approvals from the respective Management, both the parties decided to draw up a settlement agreement setting the terms of the settlement including the finally settled amount. The representative of the lead bank have also participated in the discussions with NHAI and agreed for amicable settlement with NHAI. The approval was given by the lenders in the lender's consortium meeting held on 30th November 2022 and 21st March 2023. The Company had already explained in detail that it has no other source of income except the Termination Payment and the lenders should not demand for any other amount from the company and the guarantors.

i. Accordingly, the company has executed a settlement Agreement with NHAI for full and final settlement of Termination amount on 30th March 2023. The Company has received balance Termination amount of Rs. 327.83 Crore on 14.08.2023 and 09.10.2023.

The Sr. Lenders of the project have distributed Rs. 328 Crore among the consortium of lenders.

j. NHAI has withheld Rs. 171.52 Crore due to ongoing GST dispute with GST Authorities. The IDBI Bank has informed NHAI to release the withheld amount of Rs. 171.52 Crore to the bank. After resolution of GST dispute in favour of the Company, NHAI will release Rs. 171.52 Crore to the Escrow Bank Account held with IDBI Bank and the lenders should take a decision on distribution of this amount.

k. The Company has explained to the lenders that upon signing of the said settlement agreement, apart from the termination payment which is full and final, no amounts shall be receivable by the Company.

Hence, as per the above agreement, the company will not receive any further amounts from the NHAI and also will not pay any amount to the NHAI. Accordingly, the management has decided to set off the Payable and Receivable balances in the books of account as on 31st March, 2024 and write back the net payable amount of Rs. 51,34,147/- as per the details given below:

1. NHAI - IC Fee Payable - Rs.72,00,000
2. NHAI - Retention Money Receivable -Rs. 20,32,101
3. NHAI - GST TDS Receivable -Rs. 33,752
4. Net Payable Written Back Rs. 51,34,147



SAI MAATARINI TOLLWAYS LIMITED
Summary of Significant Accounting Policies and Other Explanatory Information
(All amounts in Rs unless otherwise stated)

34 Financial Ratios

S.No.	Ratio	Numerator	Denominator	31st March 2024	31st March 2023	% Change	Reason for Variance
1	Current ratio	Current Assets	Current Liabilities	0.47	0.61	-23%	Due to decrease in current asset
2	Debt-Equity ratio	Total Debt	Shareholder's Equity	(1.87)	(2.54)	-26%	Due to increase in Interest accrued and payable
3	Debt service Coverage ratio	Earnings for debt service = Net profit after taxes + Depreciation and amortisation + Interest + Loss on sale of Fixed Asset	Debt service = Interest payments + Principal Repayments	(0.00)	0.00	0%	NA
4	Return on Equity ratio	Net profits after taxes - preference dividend	Average Shareholder's Equity	0.28	0.31	-11%	Increase in current Losses compared to earlier periods
5	Inventory turnover ratio	Cost of goods sold	Average Inventory	NA	NA	-	No Inventories
6	Trade receivables turnover ratio	Net Credit Sales	Average Trade Receivable	NA	NA	-	No Sales/Revenue during the year
7	Trade payables turnover ratio	Net Credit Purchases	Average Trade Payables	0.73	8.39	-91%	Decrease in Trade payables due to write back in the books of accounts
8	Net Capital turnover ratio	Net sales	Working capital = current assets - current liabilities	NA	NA	-	No Operational Income during the year
9	Net Profit ratio	Net Profit after tax	Net sales	NA	NA		No Sales/Revenue during the year
10	Return on Capital employed	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	0.00	0.02	-99%	Due to decrease in capital employed
11	Return on Investment	Interest (Finance Income)	Investment	NA	NA	-	No investments and hence no interest income



Sai Maatarini Tollways Limited

Summary of Significant Accounting Policies and Other Explanatory Information

(All amounts in ₹ in lacs unless otherwise stated)

35 Events after the reporting period

There are no events after the reporting period.

36 Ind AS 116 : The company has no transactions which attracts disclosure of IndAS 116

37 Previous year comparatives have been reclassified and regrouped wherever necessary, to confirm to current years' presentation.

38 In the opinion of the Board, the current assets, loans & advances, have a value on realization in the ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet.

39 There were no litigation pending against the company except as stated in this financial statements which could be materially impact its financial position as at the end of the period.

In terms of our report attached.

For MKPS & ASSOCIATES

Chartered Accountants

Firm Registration No.302014E

Vikash Modi

Partner

Membership No. 216468

UDIN: 24216468BKBUE4044

Place: Hyderabad

Date: 16.05.2024



For and on behalf of the Board

Krishnamurthy Chaturvedi

Director

DIN: 08661228

Y.Bhavani

Chief Financial Officer

Place: Hyderabad

Date: 16.05.2024

T.V Sandeep Kumar Reddy

Director

DIN: 00005573

Devansh Garg

Company Secretary

