



# BURMAN SINGH & ASSOCIATES

## CHARTERED ACCOUNTANTS

### INDEPENDENT AUDITORS' REPORT

To The Members of, ORISSA STEEL EXPRESSWAY PRIVATE LIMITED

Report on the Audit of the Standalone Financial Statements

#### Opinion

We have audited the accompanying standalone financial statements of Orissa Steel Expressway Private Limited ('the company'), which comprises Balance Sheet as at 31<sup>st</sup> March 2022, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a Summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and its Loss, changes in equity and its cash flows for the year ended on that date.

#### Basis for Opinion

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



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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance Report, and Shareholder Information, but does not include the standalone financial statements and our auditor's report thereon.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of 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 Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards (Ind AS) prescribed under Section 133 of the Act as applicable. This responsibility also includes maintenance of adequate accounting records in accordance with the provision 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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



## **Auditor's Responsibility for the Audit of the Standalone Financial Statements**

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

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

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

Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



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.

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

#### **Report on Other Legal and Regulatory Requirements**

1. As required by Section 143 (3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of changes in equity dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the a for esaidstandal one financial statements comply with the Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued there under.
  - e) As per information and explanation given by the company management, we report that none of the directors is disqualified as on 31<sup>st</sup> March 2022 from being appointed as a directors in terms of section 164(2) of the Act.
  - f) With respect to the adequacy of the Internal Financial Controls over the financial reporting of the company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure-A' . our report express an unmodified opinion on the adequacy and operating effectiveness of the company's internal financial controls over financial reporting.



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

- i. As informed to us the Company does not have any pending litigations which would impact its financial position;
  - ii. The Company has made provision in its financial statements, as required under the applicable law or accounting standards, for material foreseeable losses on long term contracts including derivative contracts;
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
3. As required by the Companies (Auditor's Report) Order, 2020 (the Order) issued by the Central Government in terms of Section 143 (11) of the Act, we enclosed in the Annexure-B a statement on matters specified in paragraph 3 & 4 of the order.

Kolkata-700012

Dated: 18<sup>th</sup> May'2022



For Burman Singh & Associates  
Chartered Accountants  
FRN.326113E

CA Ram Nath Singh  
Partner, M.No: 063418

UDIN: 22063418AJTKCO5214



# BURMAN SINGH & ASSOCIATES

## CHARTERED ACCOUNTANTS

### ANNEXURE- 'A' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of 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 **Orissa Steel Expressway Private Limited** ('the Company') as of 31<sup>st</sup> March 2022 in conjunction with our audit of the Ind AS financial statements of the Company for the period ended and as 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 controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the 'Guidance Note'). 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 Ind AS financial statements, whether due to fraud or error.

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

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

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations 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.



**Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March 2022, based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note.

**Kolkata-700013**

**Dated: 18<sup>th</sup> May 2022**



**For Burman Singh & Associates**

**Chartered Accountants**

**FRN.326113E**

**CA Ram Nath Singh**

**Partner, M. No: 063418**

**UDIN: 22063418AJTKC05214**





# BURMAN SINGH & ASSOCIATES

CHARTERED ACCOUNTANTS

ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

Reports on Companies (Auditor's Report) Order, 2020 (the Order) issued by Central Government in terms of Section 143(11) of the Companies Act, 2013 ('the Act') of ORISSA STEEL EXPRESSWAY PRIVATE LIMITED ('the Company') of even date.

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

- i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:
  - (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.  
(B) The Company has maintained proper records showing full particulars of intangible assets.
  - (b) The physical verification of Property, Plant and Equipment during the year were done by the company management in accordance with the regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
  - (c) Based on our examination of registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title deeds of all other immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee), disclosed in the financial statements included under Property, Plant and Equipment are held in the name of the Company as at the balance sheet date.
  - (d) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.
  - (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii.
  - (a) The Company does not have any inventory and hence reporting under clause 3(ii)(a) of the Order is not applicable.
  - (b) The Company has not been sanctioned working capital limits in excess of ₹ 5 crore, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii)(b) of the Order is not applicable.
- iii. The Company has not made investments in, companies, firms, Limited Liability Partnerships, and granted unsecured loans to other parties, during the year, hence reporting under clause 3(iii)(b) to (d) of the Order is not applicable.
  - (a) The Company has not provided any loans or advances in the nature of loans or stood guarantee, or provided security to any other entity during the year, and hence reporting under clause 3(iii)(a) of the Order is not applicable.
  - (b) No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.
  - (c) The Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause 3(iii)(f) is not applicable.

The Company has not provided any guarantee or security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties.



- iv. The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.
- v. The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.
- vi. The maintenance of cost records specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 are not applicable to this company pursuant to sub clause (B) of Rule 3 of Companies (Cost Records and Audit) Rules, 2014. Hence, reporting under clause (vi) of the Order is not applicable to the Company.
- vii. In respect of statutory dues:
- (a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues as applicable to it with the appropriate authorities.
- There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2022 for a period of more than six months from the date they became payable.
- (b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2022 on account of disputes are nil, Hence reporting under clause vii (b) is not applicable.
- viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix. (a) The Company has not taken any loans or other borrowings from any lender. Hence reporting under clause 3(ix)(a) of the Order is not applicable.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) The Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.
- (d) On an overall examination of the financial statements of the Company, funds raised on short- term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.
- (f) The Company has not raised any loans during the year and hence reporting on clause 3(ix)(f) of the Order is not applicable.
- x. (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.



- xi. (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (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 upto the date of this report.
- (c) We have taken into consideration the whistle blower complaints received by the Company during the year (and upto the date of this report), while determining the nature, timing and extent of our audit procedures.
- xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- xiv. (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- xv. In our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors. and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi. (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.
- (b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- xvii. The Company has incurred cash losses during the financial year covered by our audit and the immediately preceding financial year are Rs. 21.00 lakhs and Rs 47.49 Lakhs respectively.
- xviii. There has been no resignation of the statutory auditors of the Company during the year.
- xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. (a) In our Opinion Provision of Corporate Social Responsibility (CSR) as per Companies Act is not applicable to this company. Accordingly, reporting under clause 3(xx)(a) and (b) of the Order is not applicable for this year.



For Burman Singh & Associates  
Chartered Accountants  
(Firm's Registration No.326113E)

For Burman Singh & Associates

*Ram Nath Singh*  
Ram Nath Singh  
Partner

Date: 18th May 2022

Place: KOLKATA

UDIN: 22063418AJTKCO5214



**Orissa Steel Expressway Private Limited**  
**CIN No: U45400OR2010PTC014681**  
**Balance Sheet as at March 31, 2022**

(Rs. in Lakhs)

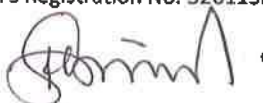
| Particulars                          | Notes | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
|--------------------------------------|-------|-------------------------|-------------------------|
| <b>ASSETS</b>                        |       |                         |                         |
| <b>Non-Current Assets</b>            |       |                         |                         |
| Property, Plant and Equipment        | 3     | 11.30                   | 11.70                   |
| Intangible Assets under Development  | 4     | -                       | -                       |
| Financial Asset                      |       |                         |                         |
| Other Financial Asset                | 5     | 21,878.69               | 21,878.69               |
| Other Non-Current Assets             | 6     | -                       | -                       |
| <b>Total Non-Current Assets</b>      |       | <b>21,889.99</b>        | <b>21,890.39</b>        |
| <b>Current Assets</b>                |       |                         |                         |
| <b>Financial Assets</b>              |       |                         |                         |
| (i) Cash and Cash Equivalents        | 7     | 16.65                   | 19.44                   |
| (ii) Other Financial Assets          | 8     | 2.69                    | 2.69                    |
| Other Current Assets                 | 9     | 271.71                  | 271.09                  |
| <b>Total Current Assets</b>          |       | <b>291.05</b>           | <b>293.22</b>           |
| <b>Total Assets</b>                  |       | <b>22,181.04</b>        | <b>22,183.61</b>        |
| <b>EQUITY AND LIABILITIES</b>        |       |                         |                         |
| <b>Equity</b>                        |       |                         |                         |
| Equity Share Capital                 | 10    | 7,836.66                | 7,836.66                |
| Other Equity                         | 11    | (172.68)                | (151.25)                |
| <b>Total Equity</b>                  |       | <b>7,663.98</b>         | <b>7,685.41</b>         |
| <b>LIABILITIES</b>                   |       |                         |                         |
| <b>Non-Current Liabilities</b>       |       |                         |                         |
| <b>Financial Liabilities</b>         |       |                         |                         |
| Long-Term Borrowings                 | 12    | -                       | -                       |
| Provisions                           | 13    | -                       | -                       |
| <b>Total Non-Current Liabilities</b> |       | <b>-</b>                | <b>-</b>                |
| <b>Current Liabilities</b>           |       |                         |                         |
| <b>Financial Liabilities</b>         |       |                         |                         |
| (i) Short-Term Borrowings            | 14    | 94.58                   | 29.73                   |
| (ii) Other Financial Liabilities     | 15    | 14,422.30               | 14,461.29               |
| Provisions                           | 16    | -                       | 1.45                    |
| Other Current Liabilities            | 17    | 0.18                    | 5.73                    |
| <b>Total Current Liabilities</b>     |       | <b>14,517.06</b>        | <b>14,498.20</b>        |
| <b>Total Liabilities</b>             |       | <b>14,517.06</b>        | <b>14,498.20</b>        |
| <b>Total Equity and Liabilities</b>  |       | <b>22,181.04</b>        | <b>22,183.61</b>        |

Significant Accounting Policies and Notes to the Financial Statements.

The accompanying notes are an integral part of these financial statements.

As per our report of even date.

**For Burman Singh & Associates**  
Chartered Accountants  
Firm's Registration No. 326113E

  
**CA. Ram Nath Singh**  
Partner  
Membership No. - 063418

Place: Kolkata

Date: 18/05/2022

UDIN: 22063418AJTKC05214



**For and on behalf of the Board of Directors**

  
**Krishnendu Chattopadhyay**  
Director  
DIN 08742611

  
**Praful Tayal**  
Director  
DIN 00826834

  
**Manisha Chandalia**  
Chief Financial  
Officer

  
**Naresh Mathur**  
Company Secretary



**Orissa Steel Expressway Private Limited**  
**CIN No: U45400OR2010PTC014681**  
**Statement of profit and loss for the Year ended 31st March 2022**

(Rs. in Lakhs)

| Particulars   | Notes | For the year ended<br>March 31, 2022 | For the year ended<br>March 31, 2021 |
|---|-------|--------------------------------------|--------------------------------------|
| Other Income  | 18    | 6.80                                 | 79.40                                |
| <b>Total Income</b>   |       | <b>6.80</b>                          | <b>79.40</b>                         |
| <b>Expenses</b>   |       |                                      |                                      |
| Employee Benefit Expenses   |       | 14.43                                | 25.69                                |
| Depreciation  |       | 0.41                                 | 0.41                                 |
| Other Expenses  | 19    | 13.39                                | 100.36                               |
| <b>Total Expenses</b>   |       | <b>28.23</b>                         | <b>126.46</b>                        |
| Profit/( loss) before exceptional items and tax                   |       | <b>(21.43)</b>                       | <b>(47.06)</b>                       |
| Add: Exceptional items  |       |                                      |                                      |
| Profit / (loss) before tax  |       | <b>(21.43)</b>                       | <b>(47.06)</b>                       |
| Less: Tax expense   |       |                                      |                                      |
| (i) Tax expense of earlier year                                   |       | -                                    | 0.84                                 |
| <b>Profit/(Loss) for the year</b>                                 |       | <b>(21.43)</b>                       | <b>(47.90)</b>                       |
| <b>Other Comprehensive Income</b>                                 |       |                                      |                                      |
| Items that will not be reclassified in Profit/(loss)              |       | -                                    | -                                    |
| <b>Total Other Comprehensive Income</b>                           |       | -                                    | -                                    |
| <b>Total comprehensive income for the period</b>                  |       | <b>(21.43)</b>                       | <b>(47.90)</b>                       |
| Earnings per share (Face Value ₹ 10/- per share) Not annualised : |       |                                      |                                      |
| (1) Basic (in Rs.)  |       | (0.03)                               | (0.06)                               |
| (2) Diluted (in Rs.)  |       | (0.03)                               | (0.06)                               |

Significant Accounting Policies and Notes to the Financial Statements.

The accompanying notes are an integral part of these financial statements.

As per our report of even date.

For Burman Singh & Associates  
Chartered Accountants  
Firm's Registration No. 326113E



CA. Ram Nath Singh  
Partner  
Membership No. - 063418



Place: Kolkata  
Date: 18/05/2022  
UDIN: 22063418AJTKCO5214

For and on behalf of the Board of Directors

  
Krishnendu Chattopadhyay  
Director

DIN 08742611

  
Praful Tayal  
Director

DIN 00826834

  
Manisha Chandalia  
Chief Financial Officer

  
Naresh Mathur  
Company Secretary



**Orissa Steel Expressway Private Limited**  
**CIN No: U45400OR2010PTC014681**  
**Cash Flow Statement for The Year ended March 31, 2022**

(Rs. in Lakhs)

| S. No.   | Particulars   | For the year ended<br>March 31, 2022 | For the year ended<br>March 31, 2021 |
|----------|---|--------------------------------------|--------------------------------------|
| <b>A</b> | <b>Cash flow from operating activities</b>                            |                                      |                                      |
|          | Net profit / (loss) before tax and extraordinary items                | (21.43)                              | (47.90)                              |
|          | Adjustments for:  |                                      |                                      |
|          | Depreciation and amortisation expense                                 | 0.41                                 | 0.41                                 |
|          | Finance Cost  |                                      |                                      |
|          | <b>Operating profit before working capital changes</b>                | <b>(21.02)</b>                       | <b>(47.50)</b>                       |
|          | Adjustments for:  |                                      |                                      |
|          | Increase / (Decrease) in long term provisions                         | -                                    | -                                    |
|          | Increase / (Decrease) in short term provisions                        | (1.45)                               | (0.62)                               |
|          | Increase / (Decrease) in other current liabilities                    | (5.56)                               | 5.21                                 |
|          | Increase / (Decrease) in other current financial liabilities          | (38.99)                              | (1,564.35)                           |
|          | (Increase) / Decrease in Current Financial Asset                      | -                                    | 43.45                                |
|          | (Increase) / Decrease in Other Current Asset                          | (0.63)                               | 24.91                                |
|          | <b>Cash generated from Operations</b>                                 | <b>(67.64)</b>                       | <b>(1,538.91)</b>                    |
|          | Direct taxes refund /(paid during year)                               | -                                    | 0.85                                 |
|          | <b>Net Cash(used in)/generated from Operating Activities</b>          | <b>(67.64)</b>                       | <b>(1,538.06)</b>                    |
| <b>B</b> | <b>Cash flow from investing activities</b>                            |                                      |                                      |
|          | Additions to Intangible Assets under developments                     | -                                    | -                                    |
|          | (Addition)/Received to Claims Receivable                              | -                                    | 4,986.91                             |
|          | <b>Net cash (used in)/generated from Investing Activities</b>         | <b>-</b>                             | <b>4,986.91</b>                      |
| <b>C</b> | <b>Cash flow from financing activities</b>                            |                                      |                                      |
|          | Inter Corporate Deposits refunded                                     | -                                    | -                                    |
|          | Proceeds from Short Term Borrowing                                    | 64.85                                | 29.73                                |
|          | (Repayment) of Short Term Borrowing                                   | -                                    | (3,461.16)                           |
|          | <b>Net cash (used in)/generated from Financing Activities</b>         | <b>64.85</b>                         | <b>(3,431.43)</b>                    |
|          | <b>Net increase / (decrease) in cash and cash equivalents (A+B+C)</b> | <b>(2.79)</b>                        | <b>17.42</b>                         |
|          | Cash and cash equivalents as at the beginning of the year             | 19.44                                | 2.02                                 |
|          | <b>Cash and cash equivalents as at the end of the Period</b>          | <b>16.65</b>                         | <b>19.44</b>                         |

**Notes:**

- 1) Previous year's figures have been regrouped/reclassified wherever applicable.
- 2) Cash and cash equivalent represent cash and bank balances.

As per our report of even date.

**For Burman Singh & Associates**  
Chartered Accountants  
Firm's Registration No. 326113E

  
**CA. Ram Nath Singh**  
Partner  
Membership No. - 063418



**For and on behalf of the Board of Directors**

  
**Krishnendu Chattopadhyay**  
Director  
DIN 08742611

  
**Praful Tayal**  
Director  
DIN 00826834

Place: Kolkata  
Date: 18/05/2022

  
**Manisha Chandalla**  
Chief Financial Officer

  
**Naresh Mathur**  
Company Secretary



Orissa Steel Expressway Private Limited

Statement of changes in equity as on March 31, 2022

A. Equity share capital

Rs. In Lakhs

| Movement during the period          | For the Year ended<br>March 31, 2022 |                           | For the Year ended<br>March 31, 2021 |                           |
|-------------------------------------|--------------------------------------|---------------------------|--------------------------------------|---------------------------|
|                                     | Number of shares                     | Share capital<br>(Amount) | Number of shares                     | Share capital<br>(Amount) |
| Shares having face value of Rs 10/- |                                      |                           |                                      |                           |
| Balance at the start of the period  | 7,83,66,600                          | 7,836.66                  | 7,83,66,600                          | 7,836.66                  |
| Issued during the period            | -                                    | -                         | -                                    | -                         |
| Balance at the end of the period    | 7,83,66,600                          | 7,836.66                  | 7,83,66,600                          | 7,836.66                  |

B. Other Equity

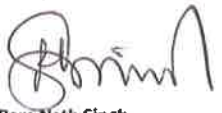
Movement in Other Equity

| Particulars  | Equity component of<br>compound financial<br>instruments | Reserves and Surplus |                               |                   | Total    |
|--|--|----------------------|-------------------------------|-------------------|----------|
|  |  | Capital Reserve      | Securities Premium<br>Reserve | Retained Earnings |          |
| Balance at the beginning of the reporting period i.e. 01.04.2021 |  |                      |                               | (151.25)          | (151.25) |
| Changes in accounting policy or prior period errors              |  |                      |                               |                   |          |
| Restated balance at the beginning of the reporting period        |  |                      |                               | (151.25)          | (151.25) |
| Total Comprehensive Income for the year                          |  |                      |                               | (21.43)           | (21.43)  |
| Addition in Capital Reserve                                      |  |                      |                               |                   |          |
| Addition in Equity Component                                     |  |                      |                               |                   |          |
| Transfer to retained earnings                                    |  |                      |                               |                   |          |
| Balance at the end of the reporting period i.e. 31.03.2022       |  |                      |                               | (172.68)          | (172.68) |

| Particulars  | Equity component of<br>compound financial<br>instruments | Reserves and Surplus |                               |                   | Total    |
|--|--|----------------------|-------------------------------|-------------------|----------|
|  |  | Capital Reserve      | Securities Premium<br>Reserve | Retained Earnings |          |
| Balance at the beginning of the reporting period i.e. 01.04.2020 |  |                      |                               | (103.35)          | (103.35) |
| Changes in accounting policy or prior period errors              |  |                      |                               |                   |          |
| Restated balance at the beginning of the reporting period        |  |                      |                               | (103.35)          | (103.35) |
| Total Comprehensive Income for the year                          |  |                      |                               | (47.90)           | (47.90)  |
| Addition in Capital Reserve                                      |  |                      |                               |                   |          |
| Addition in Equity Component                                     |  |                      |                               |                   |          |
| Transfer to retained earnings                                    |  |                      |                               |                   |          |
| Balance at the end of the reporting period i.e. 31.03.2021       |  |                      |                               | (151.25)          | (151.25) |

As per our report of even date.

For Burman Singh & Associates  
Chartered Accountants  
Firm's Registration No. 326113E

  
CA. Ram Nath Singh  
Partner  
Membership No. - 063418



Place: Kolkata  
Date: 18/05/2022

For and on behalf of the Board of Directors

  
Krishnendu Chattopadhyay  
Director  
DIN 08742611

  
Praful Taya  
Director  
DIN 00826834

  
Manisha Chandalia  
Chief Financial Officer

  
Naresh Mathur  
Company Secretary





**1 Corporate Information**

The company is into Infrastructure business within the meaning of section 186 of the Companies Act, 2013. The Company has been awarded the work to promote, develop, finance, establish, design, construct, equip, operate, maintain, modify and upgrade the two/ four laning of Rimuli - Roxy - Rajamunda Section of NH 215 from Km 163.000 to Km 259.453 under NHDP- III in the State of Orissa on Design, Build, Finance, Operate and Transfer (DBFOT) basis and to charge and collect toll fees and to retain and appropriate receivables as per the concession agreement dated July 6, 2010 from the NHAI. The Concession Agreement was for a period of 19 years from appointed date and due to Land availability issues, the Project has been foreclosed and handed over to NHAI on 2nd March 17.

**2 Significant Accounting Policies**

**2.01 Basis of preparation**

**(a) Compliance with IndAS**

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.

The financial statements upto to the year ended 31 March 2017 were prepared in accordance with the accounting standards notified under the Companies (Accounting Standard) Rules, 2006 as amended and other relevant provisions of the Act. Financial Statements for year 17-18 are the first financial statements of the Company under IND AS.

**(b) Basis of measurement**

The financial statements have been prepared on a historical cost basis, except those specifically disclosed, if any.

**(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).

**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.

**2.03 Revenue recognition**

**a)**

**Construction services**

Revenue related to construction or upgrade services under a service concession arrangement is recognised based on the stage of completion of the work performed, consistent with the company's accounting policy on recognising revenue on construction contracts. Operation or service revenue is recognised in the period in which the services are provided by the company.

**Fee Collection**

Fee Collection from the Users of the carriageway is accounted for as and when the amount is due and recovery is certain. Revenue from sale of smart card is recognised as and when the cards are issued to the Users.

**Interest Income**

For all financial instruments measured at amortized cost, interest income is recorded using effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash payments or receipts through the expected life of the financial instruments or a shorter period, where appropriate, to the net carrying amount of the financial asset. Interest income is included in other income in the statement of profit and loss.

**Other Income**

Other Income is recognised when right to receive is established.

**Other Claims**

Other claims are accounted for, when there is certainty of realization and can be measured reliably.

**2.04 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.



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2.05 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.

2.06 Property, plant and equipment (PPE)

Property Plant & Equipment are stated at cost, less accumulated depreciation/impairment losses, if any. Cost includes original cost of acquisition , including incidental expenses related to such acquisition and installation.

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 Property Plant & Equipment is provided on Straight Line Method ('SLM'), which reflects the management's estimate of the useful lives of the respective assets. The useful life of each class of Property Plant & Equipment is similar to useful life prescribed in Schedule II to Companies Act 2013. Depreciation on additions/ deductions is calculated pro-rata from/ to the period of additions/ deductions.

The details of estimated useful life for each category of Property Plant & Equipment are as under:

| Property Plant & Equipment   | Estimated Useful Life |
|------------------------------|-----------------------|
| Furniture & Fixtures         | 10 years              |
| Plant & Machinery            | 8 years               |
| Computers                    | 3 years               |
| Office Equipment             | 5 years               |
| Intangible Assets (Software) | 3 years               |

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, 2016 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost on the transition date.

The assets' residual values, useful lives and methods of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate.

2.07 Intangible assets

Under Appendix C to Ind AS 115 - Service Concession Arrangement, Intangible assets arising from a service concession arrangement are recognized when the company has a right to charge for usage of the concession infrastructure. An intangible asset received as consideration for providing construction or upgrade services in a service concession arrangement is measured at fair valuation on initial recognition by references to the fair value of the services provided. Subsequent to initial recognition, the Intangible asset is measured at cost, which includes construction cost, finance costs, street lighting, drainage, etc. incurred during the implementation phase.

The estimated useful lives of the Intangible asset in a service concession arrangement is the period from when the company is able to charge the public for the use of the Infrastructure to the end of the concession period.

Toll collection rights in respect of road projects are amortized over the period of concession using the straight line method.

2.08 Intangible assets under development

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 . Till the completion of the project, the same is recognised under intangible assets under development.

All expenses which are capital in nature and directly relatable to development of Highway Project incurred upto the commencement of commercial operations are included under Intangible assets under development. These expenses will be transferred to Intangible Assets upon completion and receipt of completion certificate from NHAI (COD).

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

Transition to Ind AS

The Company elected to continue with the carrying value as per cost model (for all of its property, plant and equipment ) as recognised in the financial statements as at the date of transition to Ind ASs', measured as per previous GAAP.

Amortisation of Intangible assets

Intangible asset is amortised over its expected useful life in straight-line method in accordance with IND AS 38 "Intangible Assets"



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**2.09 Service concession arrangement**

The Company constructs or upgrades infrastructure (construction services) used to provide a public service and operates and maintains that infrastructure (operation services) for a specified time.

Under Appendix C to Ind AS 115 - "Service Concession arrangement", these arrangements, are accounted for based on the nature of the consideration. The intangible asset model is used to the extent the Company receives a right to charge users of the toll road. The financial asset model is used when the Company has an unconditional right to receive cash for the construction services.

The company manages concession arrangement which includes construction of toll road. The company maintains and services the toll roads during the concession period. The concession arrangement sets out rights and obligations related to the infrastructure and the service to be provided. The right to consideration gives rise to an intangible asset (i.e. right to charge users of the toll road) and finance asset (equity support from NHAI) and accordingly, both the intangible asset and financial asset model is applied.

**2.1 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 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.

**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 (Other than financial assets measured at fair value)**

As at each balance sheet date, the Company assesses whether there is an indication that an asset may be impaired and also whether there is an indication of reversal of impairment loss recognised in the previous periods. If any indication exists, or when annual impairment testing for an asset is required, if any, the Company determines the recoverable amount and impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount.

Recoverable amount is determined:

- In the case of an individual asset, at the higher of the fair value less cost to sell and the value in use; and
- In the case of cash generating unit (a group of assets that generates identified, independent cash flows), at the higher of the cash generating unit's fair value less cost to sell and the 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 current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year.

Impairment losses of continuing operations, including impairment on inventories, are recognised in profit and loss section of the statement of profit and loss.



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**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.

**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.

**Derecognition :**

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either:  
(a) the Company has transferred substantially all the risks and rewards of the asset, or  
(b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

**b) Financial Liabilities**

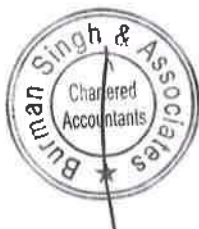
Financial liabilities are classified at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognised initially at 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. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

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.



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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 are accounted for as and when accepted and claims by the company are accounted for as and when the claim is received.

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.

2.19 Employee Benefit

Employee benefits include provident fund, superannuation fund, employee state insurance scheme, 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.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur. Remeasurements are not reclassified to the statement of profit and loss in subsequent periods.

(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.



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Orissa Steel Expressway Private Limited  
Notes to financial statements for the Year ended March, 31 2022

(Rs. in Lakhs)

3 Property, Plant and Equipment

| Particulars                  | Gross Block                    |           |           |                              | Accumulated Depreciation and Impairment |              |           |                              | Carrying Amount<br>Balance at<br>March 31, 2022 |
|------------------------------|--------------------------------|-----------|-----------|------------------------------|---|--------------|-----------|------------------------------|---|
|                              | Balance as at<br>April 1, 2021 | Additions | Disposals | Balance at<br>March 31, 2022 | Balance as at<br>April 1, 2021          | Depreciation | Disposals | Balance at<br>March 31, 2022 |   |
| Property plant and equipment |                                |           |           |                              |   |              |           |                              |   |
| Land                         | 11.19                          | -         | -         | 11.19                        | -                                       | -            | -         | -                            | 11.19   |
| Computer                     | 0.09                           | -         | -         | 0.09                         | 0.09                                    | -            | -         | 0.09                         | -   |
| Office Equipment             | 0.68                           | -         | -         | 0.68                         | 0.68                                    | -            | -         | 0.68                         | -   |
| Furniture & Fixtures         | 2.53                           | -         | -         | 2.53                         | 2.02                                    | 0.41         | -         | 2.43                         | 0.11  |
| <b>Total</b>                 | <b>14.49</b>                   | <b>-</b>  | <b>-</b>  | <b>14.49</b>                 | <b>2.79</b>                             | <b>0.41</b>  | <b>-</b>  | <b>3.19</b>                  | <b>11.30</b>                                    |

PREVIOUS YEAR

| Particulars                  | Gross Block                    |           |           |                              | Accumulated depreciation and impairment |              |           |                              | Carrying Amount<br>Balance at<br>March 31, 2021 |
|------------------------------|--------------------------------|-----------|-----------|------------------------------|---|--------------|-----------|------------------------------|---|
|                              | Balance as at<br>April 1, 2020 | Additions | Disposals | Balance at<br>March 31, 2021 | Balance as at<br>April 1, 2020          | Depreciation | Disposals | Balance at<br>March 31, 2021 |   |
| Property plant and equipment |                                |           |           |                              |   |              |           |                              |   |
| Land                         | 11.19                          | -         | -         | 11.19                        | -                                       | -            | -         | -                            | 11.19   |
| Computer                     | 0.09                           | -         | -         | 0.09                         | 0.09                                    | -            | -         | 0.09                         | -   |
| Office Equipment             | 0.68                           | -         | -         | 0.68                         | 0.68                                    | -            | -         | 0.68                         | -   |
| Furniture & Fixtures         | 2.53                           | -         | -         | 2.53                         | 1.62                                    | 0.41         | -         | 2.02                         | 0.50  |
| <b>Total</b>                 | <b>14.49</b>                   | <b>-</b>  | <b>-</b>  | <b>14.49</b>                 | <b>2.38</b>                             | <b>0.41</b>  | <b>-</b>  | <b>2.79</b>                  | <b>11.70</b>                                    |



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Orissa Steel Expressway Private Limited  
Notes to financial statements for the Year ended March, 31 2022

4 Intangible Assets under Development (Rs. in Lakhs)

| Particulars   | As at<br>Mar 31, 2022 | As at<br>Mar 31, 2021 |
|---|-----------------------|-----------------------|
| Rights under service concession arrangements under development        | -                     | -                     |
| Less: Transferred to Claims under Non Current - Other Financial Asset | -                     | -                     |
| <b>Total</b>  | -                     | -                     |

5 Other Financial Asset

| Particulars  | As at<br>Mar 31, 2022 | As at<br>Mar 31, 2021 |
|--|-----------------------|-----------------------|
| <b>Claim Receivable from NHA1 (National Highways Authority of India)</b> |                       |                       |
| Opening balance of claim   | 21,878.69             | 26,865.60             |
| Addition/ (Received) during the period (refer Note Below)                | -                     | (4,986.91)            |
| Closing balance of claim   | 21,878.69             | 21,878.68             |
| <b>Total</b>   | <b>21,878.69</b>      | <b>21,878.69</b>      |

Note : During Financial Year 2020-21, the Company has received Rs.1465 lakhs against Performance Bank Guarantee encashed by NHA1 earlier included in the above Claim receivable and also a part of above claim amounting to Rs.3521.91 lakhs (net of interest amount Rs.79.40 lakhs shown as other income) vide interim relief order dated 9th Nov'2020 of the Delhi High Court.

6 Other Non-Current Assets

| Particulars  | As at<br>Mar 31, 2022 | As at<br>Mar 31, 2021 |
|--------------|-----------------------|-----------------------|
|              | -                     | -                     |
| <b>Total</b> | -                     | -                     |

7 Cash and Cash Equivalents

| Particulars           | As at<br>Mar 31, 2022 | As at<br>Mar 31, 2021 |
|-----------------------|-----------------------|-----------------------|
| Balances with Banks   |                       |                       |
| - in current accounts | 16.65                 | 19.44                 |
| <b>Total</b>          | <b>16.65</b>          | <b>19.44</b>          |

8 Other Financial Assets

| Particulars       | As at<br>Mar 31, 2022 | As at<br>Mar 31, 2021 |
|-------------------|-----------------------|-----------------------|
| Security Deposits | 2.69                  | 2.69                  |
| <b>Total</b>      | <b>2.69</b>           | <b>2.69</b>           |

9 Other Current Assets

| Particulars                                  | As at<br>Mar 31, 2022 | As at<br>Mar 31, 2021 |
|--|-----------------------|-----------------------|
| Advance against Capital expenses             | 270.86                | 270.86                |
| Advance Tax (Net of provision for Tax - Nil) | 0.48                  | -                     |
| Other Advances                               | 0.37                  | 0.23                  |
| <b>Total</b>                                 | <b>271.71</b>         | <b>271.09</b>         |



*Signature*



*Signature*

10 Equity Share Capital

| Particulars   | (Rs. In Lakhs)          |                         |
|---|-------------------------|-------------------------|
|   | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
| <b>SHARE CAPITAL (Note: 1)</b>  |                         |                         |
| <b>AUTHORISED:</b>  |                         |                         |
| Equity Shares of Rs. 10/- each  | 13,600.00               | 13,600.00               |
| 136,000,000 (Previous Year 136,000,000) equity Shares of Rs. 10/- each                      | 13,600.00               | 13,600.00               |
| <b>ISSUED, SUBSCRIBED &amp; PAID UP:</b>  |                         |                         |
| 78,366,600 (Previous Year 78,366,600) equity Shares of Rs. 10/- each allotted as fully paid | 7,836.66                | 7,836.66                |
| <b>Total</b>  | <b>7,836.66</b>         | <b>7,836.66</b>         |

Foot Notes:

i. Reconciliation of the number of shares outstanding at the beginning and as on 31st March 2022

| Particulars  | As at March 31, 2022 |                 | As at March 31, 2021 |                 |
|--|----------------------|-----------------|----------------------|-----------------|
|  | Number               | Amount          | Number               | Amount          |
| Number of equity shares at the beginning of the Year | 7,83,66,600          | 7,836.66        | 7,83,66,600          | 7,836.66        |
| Equity shares issued during the year                 | -                    | -               | -                    | -               |
| Less : Shares bought back during the year            | -                    | -               | -                    | -               |
| Number of equity shares at period ended              | <b>7,83,66,600</b>   | <b>7,836.66</b> | <b>7,83,66,600</b>   | <b>7,836.66</b> |

ii. Terms and rights attached to equity shares

The company has only one class of equity shares having par value of Rs. 10/- per share. Each holder of equity shares is entitled to one vote per share.

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

iii. Shares held by holding/Ultimate holding company and/or their subsidiaries/associates

| Particulars             | As at March 31, 2022 |              | As at March 31, 2021 |              |
|-------------------------|----------------------|--------------|----------------------|--------------|
|                         | No. of shares held   | % of Holding | No. of shares held   | % of Holding |
| Bharat Road Network Ltd | 4,65,34,600          | 59.38%       | 4,65,34,600          | 59.38%       |

iv. Details of shareholders holding more than 5% shares in the company

| Name of the Shareholder                         | As at<br>March 31, 2022 |              | As at March 31, 2021 |              |
|---|-------------------------|--------------|----------------------|--------------|
|   | No. of shares held      | % of Holding | No. of shares held   | % of Holding |
| Bharat Road Network Ltd.                        | 4,65,34,600             | 59.38%       | 4,65,34,600          | 59.38%       |
| AMR India Ltd. (Formerly AMR Constructions Ltd) | 1,76,88,000             | 22.57%       | 1,76,88,000          | 22.57%       |
| MBL Infrastructures Ltd.                        | 1,08,79,800             | 13.89%       | 1,08,79,800          | 13.89%       |

(Note 1: Subsequent upon Bharat Road Network Ltd. (BRNL) further acquiring 14.78% stake in the company vide share purchase agreement dated 27th Oct 2016, BRNL has become major shareholder in the company, holding 59.38% and thereby Orissa Steel Expressways Pvt. Ltd. has become the material subsidiary of Bharat Road Network Ltd).

List of promoters holding share as at March 31, 2022

| Shares held by promoters at the end of the Year     |                    |                   |                          |
|---|--------------------|-------------------|--------------------------|
| Promoter's Name                                     | No. of Shares      | % of total shares | % Change during the Year |
| 1. Bharat Road Network Ltd.                         | 4,65,34,600        | 59.38%            | 0.00%                    |
| 2. AMR India Ltd. (Formerly AMR Constructions Ltd.) | 1,76,88,000        | 22.57%            | 0.00%                    |
| 3. MBL Infrastructures Ltd.                         | 1,08,79,800        | 13.89%            | 0.00%                    |
| 4. Ritwik Projects Private Ltd.                     | 32,64,000          | 4.16%             | 0.00%                    |
| 5. MBL Projects Ltd.                                | 200                | 0.00%             | 0.00%                    |
| <b>Total</b>  | <b>7,83,66,600</b> | <b>100.00%</b>    | <b>0.00%</b>             |

List of promoters holding share as at March 31, 2021

| Shares held by promoters at the end of the Year    |                    |                   |                          |
|--|--------------------|-------------------|--------------------------|
| Promoter's Name                                    | No. of Shares      | % of total shares | % Change during the Year |
| 1. Bharat Road Network Ltd.                        | 4,65,34,600        | 59.38%            | 0.00%                    |
| 2. AMR India Ltd. (Formerly AMR Constructions Ltd) | 1,76,88,000        | 22.57%            | 0.00%                    |
| 3. MBL Infrastructures Ltd.                        | 1,08,79,800        | 13.89%            | 0.00%                    |
| 4. Ritwik Projects Private Ltd.                    | 32,64,000          | 4.16%             | 0.00%                    |
| 5. MBL Projects Ltd.                               | 200                | 0.00%             | 0.00%                    |
| <b>Total</b>                                       | <b>7,83,66,600</b> | <b>100.00%</b>    | <b>0.00%</b>             |

11 Other Equity

| Particulars                        | (Rs. In Lakhs)          |                         |
|------------------------------------|-------------------------|-------------------------|
|                                    | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
| Surplus in profit and loss account | (172.68)                | (151.25)                |
| <b>Total</b>                       | <b>(172.68)</b>         | <b>(151.25)</b>         |

Movement in Other Equity

| Particulars                                      | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
|--|-------------------------|-------------------------|
| Surplus/ (Deficit) In Statement of Profit & Loss |                         |                         |
| At the beginning of the accounting year          | (151.25)                | (103.35)                |
| Profit/(Loss) for the year                       | (21.43)                 | (47.90)                 |
| At the end of the year                           | <b>(172.68)</b>         | <b>(151.25)</b>         |

12 Long-Term Borrowings

| Particulars                 | (Rs. In Lakhs)          |                         |
|-----------------------------|-------------------------|-------------------------|
|                             | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
| Rupee Term Loans            |                         |                         |
| Secured                     | -                       | -                       |
| From Financial Institutions | -                       | -                       |
| <b>Total</b>                | <b>-</b>                | <b>-</b>                |





13 Long Term Provisions (Rs. in Lakhs)

| Particulars                      | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
|----------------------------------|-------------------------|-------------------------|
| Provision for Employee Benefits: |                         |                         |
| Gratuity                         | -                       | -                       |
| Compensated Absence              | -                       | -                       |
| <b>Total</b>                     | -                       | -                       |

14 Short Term Borrowing

| Particulars              | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
|--------------------------|-------------------------|-------------------------|
| <b>Unsecured loan</b>    |                         |                         |
| Unsecured Loan from BRNL | 94.58                   | 29.73                   |
| <b>Total</b>             | <b>94.58</b>            | <b>29.73</b>            |

15 Other Financial Liabilities

| Particulars  | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
|--|-------------------------|-------------------------|
| Liability for expenses   | 110.51                  | 149.50                  |
| Retention money  | 524.96                  | 524.96                  |
| Payable to SREI Infrastructure Finance Limited (SIFL) (refer note below) | 12,968.13               | 12,968.13               |
| Creditor for Capital Expenses  | 183.99                  | 183.99                  |
| Payable to Solapur Tollways Pvt. Ltd. (BG Proceeds)                      | 634.71                  | 634.71                  |
| <b>Total</b>   | <b>14,422.30</b>        | <b>14,461.29</b>        |

Note : The Company has assigned its rights pertaining to Claim receivables from NHAI in favour of SREI Infrastructure Finance Limited "SIFL" (Lender) to the extent of Rs. 12,968 lakhs (loan of Rs. 12,200 lakhs plus interest dues 768 lakhs), which shall be utilized by SIFL to settle its outstanding dues. Hence the earlier loan has been classified as Other Financial liabilities.

| Particulars                 | Outstanding for following periods from date of Transaction |             |               |                   | Total         |
|-----------------------------|--|-------------|---------------|-------------------|---------------|
|                             | Less than 1 year   | 1-2 years   | 2-3 years     | More than 3 years |               |
| <b>FY 21-22</b>             |  |             |               |                   |               |
| (i) MSME                    | -  | -           | -             | -                 | -             |
| (ii) Others                 | 2.20   | 0.25        | -             | 292.04            | 294.49        |
| (iii) Disputed dues - MSME  | -  | -           | -             | -                 | -             |
| (iv) Disputed dues - Others | -  | -           | -             | -                 | -             |
| <b>Total</b>                | <b>2.20</b>  | <b>0.25</b> | <b>-</b>      | <b>292.04</b>     | <b>294.49</b> |
| <b>FY 20-21</b>             |  |             |               |                   |               |
| (i) MSME                    | -  | -           | -             | -                 | -             |
| (ii) Others                 | 25.93  | 0.00        | 123.49        | 184.07            | 333.49        |
| (iii) Disputed dues - MSME  | -  | -           | -             | -                 | -             |
| (iv) Disputed dues - Others | -  | -           | -             | -                 | -             |
| <b>Total</b>                | <b>25.93</b>   | <b>0.00</b> | <b>123.49</b> | <b>184.07</b>     | <b>333.49</b> |

16 Short Term Provisions

| Particulars    | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
|----------------|-------------------------|-------------------------|
| Gratuity       | -                       | 0.21                    |
| Other Benefits | -                       | 1.25                    |
| <b>Total</b>   | -                       | <b>1.46</b>             |

17 Other Current liabilities

| Particulars    | As at<br>March 31, 2022 | As at<br>March 31, 2021 |
|----------------|-------------------------|-------------------------|
| Statutory Dues | 0.16                    | 5.73                    |
| <b>Total</b>   | <b>0.16</b>             | <b>5.73</b>             |

18 Other Income

| Particulars                       | For year ended 31st<br>March 22 | For year ended 31st<br>March 21 |
|-----------------------------------|---------------------------------|---------------------------------|
| Interest on Income Tax Refund     | 0.36                            | 0.00                            |
| Interest Income on Claim received | 6.44                            | 79.40                           |
| <b>Total</b>                      | <b>6.80</b>                     | <b>79.40</b>                    |

19 Other Expenses

| Particulars                    | For year ended 31st<br>March 22 | For year ended 31st<br>March 21 |
|--------------------------------|---------------------------------|---------------------------------|
| Audit Fees/ certification work | 1.48                            | 2.07                            |
| Bank Charges                   | 0.01                            | 0.05                            |
| Filing Fees                    | 0.68                            | 0.26                            |
| Insurance Charges              | 0.61                            | 1.09                            |
| Travelling Expenses            | -                               | 0.29                            |
| Office Rent                    | -                               | 0.18                            |
| Legal & Professional Fees      | 3.64                            | 82.37                           |
| Retainership Fees              | 6.00                            | 6.00                            |
| Sitting Fees                   | 0.59                            | -                               |
| Sundry Balances w/off          | -                               | 3.30                            |
| Others                         | 0.38                            | 4.77                            |
| <b>Total</b>                   | <b>13.39</b>                    | <b>100.36</b>                   |



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# Orissa Steel Expressway Private Limited

Notes to financial statements for the Year ended March, 31 2022

## 20 Disclosure of Financial Instruments by Category

(Rs. in Lakhs)

| As at<br>March 31, 2022             | Note No. | Carrying Amount |        |                  | Fair Value |         |                  |                  |
|-------------------------------------|----------|-----------------|--------|------------------|------------|---------|------------------|------------------|
|                                     |          | FVTPL           | FVTOCI | Amortized Cost   | Level 1    | Level 2 | Level 3          | Total            |
| <b>Financial Asset</b>              |          |                 |        |                  |            |         |                  |                  |
| Other financial assets-non current  | 5        | -               | -      | 21,878.69        | -          | -       | 21,878.69        | 21,878.69        |
| Cash and cash equivalents           | 7        | -               | -      | 16.65            | -          | -       | 16.65            | 16.65            |
| Other financial assets-current      | 8        | -               | -      | 2.69             | -          | -       | 2.69             | 2.69             |
| <b>Total Financial Asset</b>        |          | -               | -      | <b>21,898.03</b> | -          | -       | <b>21,898.03</b> | <b>21,898.03</b> |
| <b>Financial Liability</b>          |          |                 |        |                  |            |         |                  |                  |
| Long-term borrowings                | 12       | -               | -      | -                | -          | -       | -                | -                |
| Short-term borrowings               | 14       | -               | -      | 94.58            | -          | -       | 94.58            | 94.58            |
| Other current financial liabilities | 15       | -               | -      | 14,422.30        | -          | -       | 14,422.30        | 14,422.30        |
| <b>Total Financial Liabilities</b>  |          | -               | -      | <b>14,516.88</b> | -          | -       | <b>14,516.88</b> | <b>14,516.88</b> |

\* The carrying amount of financial instruments carried at amortized cost are a reasonable approximation of fair value.

| As at<br>March 31, 2021             | Note No. | Carrying Amount |        |                  | Fair Value |         |                  |                  |
|-------------------------------------|----------|-----------------|--------|------------------|------------|---------|------------------|------------------|
|                                     |          | FVTPL           | FVTOCI | Amortized Cost   | Level 1    | Level 2 | Level 3          | Total            |
| <b>Financial Asset</b>              |          |                 |        |                  |            |         |                  |                  |
| Other financial assets-non current  | 5        | -               | -      | 21,878.69        | -          | -       | 21,878.69        | 21,878.69        |
| Cash and cash equivalents           | 7        | -               | -      | 19.44            | -          | -       | 19.44            | 19.44            |
| Other financial assets-current      | 8        | -               | -      | 2.69             | -          | -       | 2.69             | 2.69             |
| <b>Total Financial Asset</b>        |          | -               | -      | <b>21,900.82</b> | -          | -       | <b>21,900.82</b> | <b>21,900.82</b> |
| <b>Financial Liability</b>          |          |                 |        |                  |            |         |                  |                  |
| Long-term borrowings                | 12       | -               | -      | -                | -          | -       | -                | -                |
| Short-term borrowings               | 14       | -               | -      | 29.73            | -          | -       | 29.73            | 29.73            |
| Other current financial liabilities | 15       | -               | -      | 14,461.29        | -          | -       | 14,461.29        | 14,461.29        |
| <b>Total Financial Liabilities</b>  |          | -               | -      | <b>14,491.02</b> | -          | -       | <b>14,491.02</b> | <b>14,491.02</b> |

\* The carrying amount of financial instruments carried at amortized cost are a reasonable approximation of fair value.

### B. Measurement of fair values

The table shown below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined below:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices)
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs)

### C. Valuation techniques

The following methods and assumptions were used to estimate the fair values

- 1) The carrying amount of current financial assets and short term borrowings measured at amortised cost are considered to be the same as their fair values, due to their short term nature. The fair value of non current financial asset is initially recognised at its Transaction Price and the difference between Transaction price and its fair value if any is deferred till final settlement of Claim with NHAI.
- 2) Long-term borrowings are evaluated by the Company based on parameters such as interest rates, specific country risk factors and the risk characteristics of the financed project. The carrying value of Rupee Term Loan approximate fair value as the instruments are at prevailing market rate.



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## Orissa Steel Expressway Private Limited

Notes to financial statements for the Year ended March, 31 2022

### 21 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 operates domestically and the business is transacted in local currencies and consequently the Company is not significantly exposed to foreign exchange risk through its sales and services.

##### ii Interest rate risk

Interest rate risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The interest risk arises to the company mainly from Long term borrowings with variable rates. The company measures risk through sensitivity analysis. Currently, Lending by financial institution/ Others is at Fixed rate, hence there is no Interest rate risk.

The company's exposure to interest rate risk due to Fixed interest rate borrowings is NIL.

| Particulars          | 31.03.2022 | 31.03.2021 |
|----------------------|------------|------------|
| Long Term Borrowing  | -          | -          |
| Short Term Borrowing | 94.58      | 29.73      |

#### Sensitivity analysis based on average outstanding Senior Debt

Due to fixed nature of Borrowing cost , sensitivity is Nil on Profit & Loss account.

#### 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 is not exposed to price risk as it has insignificant financial instruments (e.g. investments in mutual funds).

#### 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 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 shall with the support of its Sponsors ensure that it has sufficient fund to meet expected operational expenses, servicing of financial obligations by rearrangement and rescheduling matching with the expected claim recovery.

The following are the contractual undiscounted cash flows of financial liabilities.

| As at March 31, 2022                      | Carrying Amount | upto 1 year | 1 - 2 years | 2 - 5 years | > 5 years  |
|---|-----------------|-------------|-------------|-------------|------------|
| <b>Non Derivative Financial Liability</b> |                 |             |             |             |            |
| Long-term borrowings                      | -               | -           | -           | -           | -          |
| Short-term borrowings                     | 94.58           | 94.58       | -           | -           | -          |
| Other current financial liabilities       | 14,422.30       | 14,422.30   | -           | -           | -          |
| <b>Derivative Financial Liability</b>     | <b>NIL</b>      | <b>NIL</b>  | <b>NIL</b>  | <b>NIL</b>  | <b>NIL</b> |

| As at March 31, 2021                      | Carrying Amount | upto 1 year | 1 - 2 years | 2 - 5 years | > 5 years  |
|---|-----------------|-------------|-------------|-------------|------------|
| <b>Non Derivative Financial Liability</b> |                 |             |             |             |            |
| Long-term borrowings                      | -               | -           | -           | -           | -          |
| Short-term borrowings                     | 29.73           | 29.73       | -           | -           | -          |
| Other current financial liabilities       | 14,461.29       | 14,461.29   | -           | -           | -          |
| <b>Derivative Financial Liability</b>     | <b>NIL</b>      | <b>NIL</b>  | <b>NIL</b>  | <b>NIL</b>  | <b>NIL</b> |

#### 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.

In View of termination of the project undertaken by the company, it has filed claims against NHAI for recovery of cost incurred and has accounted for cost incurred in "other financial asset" as claims receivable from NHAI. Management believes that claims amount will be settled soon and no financial loss is expected.



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22 CAPITAL MANAGEMENT

The Company's main objectives when managing capital are to:

The Board of Directors has the primary responsibility to maintain a strong capital base and reduce the cost of capital through prudent management of deployed funds and leveraging opportunities in domestic and international financial markets so as to maintain investor, creditor and market confidence and to sustain future development of the business.

For the purpose of Company's capital management, capital includes issued capital and all other equity reserves. The Company manages its capital structure in light of changes in the economic and regulatory environment and the requirements of the financial covenants.

The Company manages its capital on the basis of net debt to equity ratio which is net debt (total borrowings net of cash and cash equivalents) divided by total equity

(Rs. in Lakhs)

| Particulars                     | As at          | As at          |
|---------------------------------|----------------|----------------|
|                                 | March 31, 2022 | March 31, 2021 |
| Debt*                           | 94.58          | 29.73          |
| Less : Cash and cash equivalent | 16.65          | 19.44          |
| Net debt                        | 77.93          | 10.29          |
| Total equity^                   | 7,663.98       | 7,685.41       |
| Net debt to equity ratio        | 0.010          | 0.001          |

The Company has complied with the covenants as per the terms of the major borrowing facilities throughout the reporting period.

Debt includes long term / Short term borrowings including its current maturities and interest accrued.

^Equity : Share Capital + Reserves & Surplus (including Capital Reserve)

23 The Company does not have any transaction to which the provision of IND AS-2 relating to Valuation of Inventories applies.

24 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. In View of termination of the project undertaken by the company, no deferred tax asset/ liability arises and accordingly no provision is made in the accounts.

25 Disclosure pursuant to Ind AS 19 "Employee benefits":

Company has single employee as on 31st march 2022 and for the reason Company has not provided for Leave & Gratuity as per IND AS 19. The same shall be paid by the Company as and when it arises.

26 Disclosure of related parties / related party transactions pursuant to Ind AS 24 "Related Party Disclosures"

A. List of Related Parties

Bharat Road Network Ltd (Holding Company wef 12th Nov 16))

Solapur Tollways Pvt Ltd. (Fellow Subsidiary wef 12th Nov 16)

MBL Infrastructures Ltd (ceases Investor having significant influence wef 28th September 18 )

AMR India Limited (Investor having significant influence wef 28th September 18)

B. Transactions with related parties:

(Rs. in Lakhs)

| Name of the related party | Nature of Transaction                               | Transaction for the Period |                |
|---------------------------|---|----------------------------|----------------|
|                           |   | March 31, 2022             | March 31, 2021 |
| Bharat Road Network Ltd.  | Repayment of Inter Corporate Deposit received       | -                          | 3,440.10       |
| Bharat Road Network Ltd.  | Unsecured loan Received                             | 64.85                      | 74.50          |
| Bharat Road Network Ltd.  | Repayment of Unsecured loan Received                | -                          | 44.77          |
| Bharat Road Network Ltd.  | ICD Interest Paid                                   | -                          | 19.03          |
| Bharat Road Network Ltd   | Payment of Liability                                | -                          | 732.11         |
| Solapur Tollways Pvt Ltd. | Payment of STPL BG Proceeds                         | -                          | 830.29         |
|                           |   | Outstanding Balances       |                |
|                           |   | March 31, 2022             | March 31, 2021 |
| Bharat Road Network Ltd.  | Unsecured loan Taken                                | 94.58                      | 29.73          |
| Solapur Tollways Pvt Ltd. | Payable to Solapur Tollways Pvt. Ltd. (BG Proceeds) | 634.71                     | 634.71         |

27 Disclosure pursuant to Ind AS 33 "Earnings per share"

Basic and Diluted Earnings per share (EPS) computed in accordance with Ind AS 33 "Earnings per share".

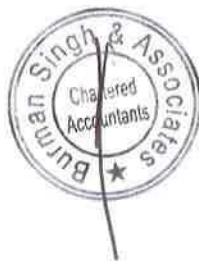
| Particulars  | Unit         | As at<br>Mar 31, 2022 | As at<br>Mar 31, 2021 |
|--|--------------|-----------------------|-----------------------|
| <b>Earnings Per Equity Share:</b>                                    |              |                       |                       |
| Profit for the year attributable to Equity Shareholders              | Rs. In lakhs | (21.43)               | (47.90)               |
| Weighted average number of equity shares outstanding for calculating | Nos.         | 7,83,66,600           | 7,83,66,600           |
| Nominal Value of Equity per share                                    | Rs.          | 10                    | 10                    |
| Basic Earnings per Share   | Rs.          | (0.03)                | (0.06)                |
| Diluted Earnings per Share   | Rs.          | (0.03)                | (0.06)                |



- (i) The Company did not have any transactions with Companies struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956 during the Financial Year.

**Additional Regulatory information required by schedule III to the Companies Act, 2013**

- (ii) The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property under the Benami Transaction Prohibition Act, 1988 (45 of 1988) and Rules made thereunder.
- (iii) The Company has not been declared willful defaulter by any bank or financial institution or any other lender.
- (iv) The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (v) Utilisation of borrowed funds and share premium
- (I) The Company have not advanced or loaned or invested funds to any other person or entity, including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
- a. 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
- b. provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (II) The Company have not received any fund from any person or entity, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
- a. 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
- b. provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (vi) The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- (vii) The Company has complied with the requirement with respect to number of layers as prescribed under section 2(87) of the Companies, Act, 2013 read with Companies(Restriction of number of layers) Rules, 2017.



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28 Payments to Auditor (Excluding GST)

(Rs. in Lakhs)

| Particulars                                       | For the year ended<br>March 31, 2022 | For the year ended<br>March 31, 2021 |
|---|--------------------------------------|--------------------------------------|
| (a) Statutory Audit Fee                           | 1.25                                 | 1.25                                 |
| (b) Other Services (Opinion / Certification Fees) | -                                    | 0.50                                 |
| <b>Total</b>                                      | <b>1.25</b>                          | <b>1.75</b>                          |

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

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

The Company was 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.

31 There is no earning and expenditure in foreign currency (Previous Year NIL).

32 The project as mentioned was awarded on 29.04.2010 by National Highway Authority of India (NHAI) . However the project could not be continued due to the reasons attributable to NHAI namely non providing of encumbrance free land, forest clearance issues etc.

Due to the unavoidable situation at the Project , a joint inspection of the Project site was carried on with Independent Engineer appointed by NHAI and NHAI representatives and thereafter the project has been foreclosed and handed over to NHAI on 02-03-2017 on 'as is where is' basis which has been acknowledged by NHAI vide their letter dated 03-03-2017 .

Due to delay in commencement of ISAC procedure, the Company invoked Arbitration on 16.10.2017 and nominated its Arbitrator which has been followed up by nomination of NHAI's Arbitrator and the Presiding officer duly constituted Arbitral Tribunal . This Tribunal heard claims of Claimant company (OSEPL) & Respondent (NHAI) from time to time and finally awarded Claim of Rs. 322.77 crs vide Award dated 31st March 2019 in favour of the Claimant i.e OSEPL . Accordingly Company management believes that it will realise Claim from respondent (NHAI) and hence Financial Statements of the Company has been prepared on Going Concern basis . Further as the project has been handed over to NHAI , expenditure incurred on the Project which were classified as "Intangible Assets under Development" have been transferred to "Claims" disclosed under "Non Current Financial Assets".

The NHAI has moved to High Court against the above order and the matter is sub-judice.



**Orissa Steel Expressway Private Limited**

Notes to Financial Statements for the year ended 31st March, 2022

Disclosures Pursuant to Schedule III to the Companies Act, 2013

**34. Ratios**

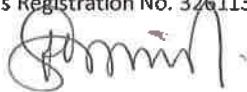
| Particulars   |         | FY 21-22 | FY 20-21 | Reasons of Variance                         |
|---|---------|----------|----------|---|
| <b>Current Ratio</b><br>(Current Assets / Current Liabilities)  | Times   | 0.02     | 0.02     |   |
| <b>Debt-Equity Ratio</b><br>(Debt (Long term borrowings + Short term borrowings Including current maturities) / (Equity share capital + Other equity))  | Times   | 0.01     | 0.00     |   |
| <b>Debt Service Coverage Ratio</b><br>(PAT+Interest+Depreciation+Loss/gain on sale of FA+Expected credit loss provision for loans and advances given to joint venture / others+ Exceptional Items)/(Gross interest+Lease payment+Repayment of long term debt excluding prepayments) | Times   | NA       | NA       | No finance Cost in the Company              |
| <b>Return on Equity Ratio (Annualised)</b><br>Net Profits after taxes / Average Shareholder's Equity  | Percent | -0.3%    | -0.6%    | Due to decrease in losses                   |
| <b>Inventory turnover ratio (Annualised)</b><br>(COGS / Average Inventory)  | Days    | NA       | NA       |   |
| <b>Trade Receivables turnover ratio (Annualised)</b><br>(Net Sales / Average Trade Receivable)  | Days    | NA       | NA       |   |
| <b>Trade payables turnover ratio (Annualised)</b><br>Net Purchase / Average Trade Payable   | Times   | NA       | NA       | No Operations in the Company during this FY |
| <b>Net capital turnover ratio (Annualised)</b><br>(Net Sales / Working Capital)   | Times   | NA       | NA       | No Revenue from Operations                  |
| <b>Net profit ratio</b><br>(Net profit after tax (Before OCI) / Sales)  | Percent | NA       | NA       | No Revenue from Operations                  |
| <b>Return on Capital employed (Annualised)</b><br>Earning before interest and taxes / Capital Employed  | Percent | -0.1%    | -0.1%    |   |
| <b>Return on investment (Annualised)</b><br>(Return on Investments / Cost of Investment)  | Percent | NA       | NA       | No Operations in the Company during this FY |

35. Expenses which are not forming part of claim but incurred by Company to remain operational has been charged to Profit & Loss Account.

36. Previous year figures have been re-grouped, re-worked and re-classified wherever necessary, to make them comparable with current year figures.

As per our report of even date.

**For Burman Singh & Associates**  
Chartered Accountants  
Firm's Registration No. 326113E



**CA. Ram Nath Singh**  
Partner  
Membership No. - 063418



Place: Kolkata  
Date: 18/05/2022

**For and on behalf of the Board of Directors**



**Krishnendu Chattopadhyay**  
Director  
DIN 08742611



**Praful Tayaal**  
Director  
DIN 00826834



**Manisha Chandalia**  
Chief Financial Officer



**Naresh Mathur**  
Company Secretary

