

**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF
JAINTIA HIGHWAY PRIVATE LIMITED.**

Report on the Audit of the Ind AS Financial Statements

Qualified Opinion

We have audited the financial statements of **JAINTIA HIGHWAY PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March 2020, 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 notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, *except for the effects of the matter as described in the Basis for Qualified Opinion Paragraph*, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and its Statement of Profit and Loss (including other comprehensive income), its cash flows and the statement of changes in equity for the year ended on that date.

Basis for Qualified Opinion

Note no.11 to the Financial Statement, the company which was a special purpose vehicle (SPV) formed for executing a road project awarded by NHAI, who have terminated the contract and the company has exhausted all legal remedies, as such the operations of the company has come to a standstill.

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a *basis for our qualified opinion*.

Material Uncertainty related to Going Concern

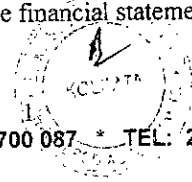
We draw your attention to the Financial Statements which indicate that the company has incurred substantial losses and its net worth has eroded by more than 90%. The company has incurred net loss during the year. Further the only project in hand has been cancelled. These conditions may indicate existence of a material uncertainty that may cast doubt about the company's ability to continue as a going concern. However since the company has sufficient current assets to meet its current liabilities, the financial statements of the company have been prepared on a going concern.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Financial Statements of the current period. These matters were addressed in the context of our audit of the Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Information other than the financial statements and auditors' report thereon

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Business Responsibility Report but does not include the financial statements and our auditor's report thereon.



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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during 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 Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and the statement of changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act, read with Companies (Indian Accounting Standard) Rules, 2015 as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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

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

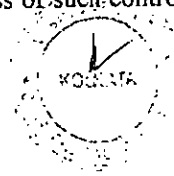
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our 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 the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the **Annexure A**, a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
 - (a) We have sought & obtained all the information & explanation which to best of our knowledge and belief were necessary for 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 appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, the Cash Flow Statement and the statement of change in equity dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with relevant Rule issued thereunder.
 - (e) On the basis of written representations received from the directors as on 31st March 2020, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2020, from being appointed as a director in terms of Section 164(2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in 'Annexure B', and



S. K. SINGHANIA & CO.
CHARTERED ACCOUNTANTS

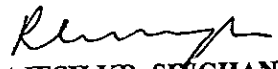
(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- (i) The pending litigation, as mentioned in note No. 11 of the annexed Accounts, may have an adverse impact on the financial position of the company.
- (ii) The company has no long-term contracts including derivative contracts.
- (iii) There are no amounts which are required to be transferred to the Investor Education and Protection Fund.

19A, Jawaharlal Nehru Road,
Kolkata – 700 087.

Dated : July 30th 2020

For S. K. SINGHANIA & CO.
CHARTERED ACCOUNTANTS.
(Firm Registration No. 302206E)


(RAJESH KR. SINGHANIA
M. NO. 52722)
PARTNER

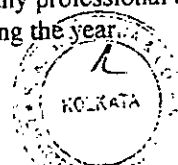
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Annexure A to the Independent Auditor's report
As required by section 143(3) of the Act, we report that

1. Since the company does not have any tangible fixed assets, clause (a), (b) & (c) of section (i) of para 3 of the Order is not applicable.
2. Since the company does not hold any inventory, section (ii) of para 3 of the Order is not applicable.
3. Since the company has not granted any loans, secured or unsecured, clause (a), (b) & (c) of section (iii) of para 3 of the Order is not applicable.
4. Since the company does not have any loan, as such provisions of section 185 and 186 of the Act are not applicable.
5. Since the company has not accepted any deposits, section (v) of para 3 of the Order is not applicable.
6. Since maintenance of cost records has not been specified by the Central Government under sub section (1) of the section 148 of the Act, nothing is reportable under section (vi) of para 3 of the Order.
7. (a) The company is regularly depositing statutory dues applicable to the company with appropriate authorities & there are no any outstanding statutory dues as at last date of financial year concerned for period of six months from date they became payable.

(b) Since there are no such dues of income tax, sales tax, service tax or excise duty which have not been deposited on account of any dispute, clause (b) of section (vii) of para 3 of the Order is not applicable.
8. Since the company has not taken any loan from Bank or Financial Institutions, section (viii) of para 3 of the Order is not applicable.
9. Since the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year, section (ix) of para 3 of the Order is not applicable.
10. According to the information and explanations give to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
11. Since the company has not paid / provided any managerial remuneration, section (xi) of para 3 of the Order is not applicable.
12. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company, as such section (xii) of para 3 of the Order is not applicable.
13. According to the information and explanations give to us and based our or examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the Ind AS financial statements as required by the applicable accounting standards.
14. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not make any professional allotment or private placement of shares or fully or partly convertible debentures during the year.



15. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with them, as such section (xv) of para 3 of the Order is not applicable.
16. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act 1934.

For S. K. SINGHANIA & CO.
CHARTERED ACCOUNTANTS.
(Firm Registration No. 302206E)


(RAJESH KR. SINGHANIA
M. NO. 52722)

19A, Jawaharlal Nehru Road,
Kolkata - 700 087.

Dated : July 30 2020

PARTNER
ICAI UDIN 20052722 AAAAA26401

Annexure B to the Auditors' Report

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

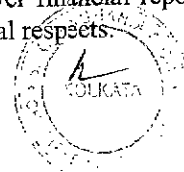
We have audited the internal financial controls over financial reporting of **Jaintia Highway Private Limited** ('the Company') as of 31st March 2020 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note of Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the 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 of 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 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 were 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 auditors' 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 Ind AS financial statements for external purpose 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 transaction and dispositions of the assets of the Company, (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Ind AS 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 the 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 Ind AS financial statements.

Inherent Limitation 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 period are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in condition, or that the degree of compliance with the policies or procedures may deteriorate.

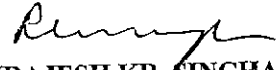
Opinion

In our opinion, the Company has, in all material respects, and adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2020, based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

19A, Jawaharlal Nehru Road,
Kolkata – 700 087.

Dated: July 30th 2020

For **S. K. SINGHANIA & CO.**
CHARTERED ACCOUNTANTS
(Firm Registration No. 302206E)


(RAJESH KR. SINGHANIA
M. NO. 52722)

PARTNER
ICAI UDIN 20052722 ~~AAAAA~~ 26401

JAINTIA HIGHWAY PRIVATE LIMITED
BALANCE SHEET AS AT 31ST MARCH, 2020

Amount in Rs

Particulars	Notes	As at 31st March, 2020	As at 31st March, 2019
ASSETS			
Non-current assets			
Property, plant and equipment		-	-
Intangible assets under development	2	-	31,749,522
Financial assets			
i. Investments		-	-
ii. Loans		-	-
iii. Other financial assets		-	-
Deferred tax assets		-	-
Other non-current assets		-	-
Total non-current assets		-	31,749,522
Current assets			
Inventories		-	-
Financial assets			
i. Investments	3(a)	-	1,671,628
ii. Trade receivables		-	-
iii. Cash and cash equivalents	3(b)	1,824,319	1,084,337
iv. Bank balances other than (iii) above		-	-
v. Loans		-	-
vi. Other financial assets		-	-
Current tax assets (net)		-	-
Other current assets		-	-
Total current assets		1,824,319	2,755,965
Total assets		1,824,319	34,505,487
EQUITY AND LIABILITIES			
Equity			
Equity share capital	4	35,100,000	35,100,000
Other equity			
Reserves and Surplus	5	(33,350,654)	(1,658,686)
Other reserves		-	-
Total equity		1,749,346	33,441,314
LIABILITIES			
Non-current Liabilities			
Financial Liabilities			
i. Borrowings		-	-
ii. Other financial liabilities		-	-
Provisions		-	-
Employee benefit obligations		-	-
Deferred Tax Liabilities (Net)		-	-
Other non-current liabilities		-	-
Total non-current liabilities		-	-
Current Liabilities			
Financial liabilities			
i. Borrowings		-	-
ii. Trade Payables	6 (a)	17,100	8,100
iii. Other financial liabilities	6 (b)	57,973	1,056,073
Provisions		-	-
Current tax liabilities		-	-
Other current liabilities		-	-
Total current liabilities		74,973	1,064,173
Total liabilities		74,973	1,064,173
Total equity and liabilities		1,824,319	34,505,487

This is the Balance Sheet referred to in our report of even date.

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

For S.K.Singhania & Co
Firm Registration No. 30220613
Chartered Accountants

Rajesh Kumar Singhania
Partner
M.No. : 052722
Kolkata : 30th July, 2020



A.N.Basu
Director

B.L.Bajoria
Director

JAINTIA HIGHWAY PRIVATE LIMITED

Amount in Rs

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

Particulars	Notes	Year ended 31st March, 2020	Year ended 31st March, 2019
Continuing operations			
Revenue from Operations		-	-
Other Income	7	70,360	105,066
Total Revenue /Income		70,360	105,066
Expenses			
Construction Materials Consumed		-	-
Purchases of Stock-in-Trade		-	-
Changes in Inventories of Work-in-progress and Stock-in-Trade		-	-
Employee benefits expense		-	-
Finance Costs		-	-
Depreciation and amortisation expense		-	-
Other expenses	8	12,806	31,466
Total Expenses		12,806	31,466
Profit before Exceptional Items and Tax		57,554	73,601
Exceptional Items		31,749,522	-
Profit before Tax		(31,691,968)	73,601
Income tax expense		-	-
-Current Tax		-	-
-Deferred Tax		-	-
Total Tax Expense		-	-
Profit for the year		(31,691,968)	73,601
Other comprehensive income			
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the year		(31,691,968)	73,601
Earnings per equity share for profit from continuing operation		INR	INR
Basic earnings per share		(9.029)	0.021
Diluted earnings per share		(9.029)	0.021

This is the Statement of Profit and Loss referred to in our report of even date.

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

For S.K.Singhania & Co

Firm Registration No. 302040E 3022065

Chartered Accountants

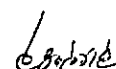


Rajesh Kumar Singhania

Partner

M.No. : 052722

Kolkata : 30th July, 2020


A.N.Basu
Director

B.L.Bajoria
Director

JAINTIA HIGHWAY PRIVATE LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2020

Amount in Rs

Year ended 31st March, 2020

Year ended 31st March, 2019

A. CASH FLOW FROM OPERATING ACTIVITIES:

Profit before Income Tax from Continuing Operations	(31,691,968)	73,601
Discontinued operations	-	-
Profit before income tax including discontinued operations	(31,691,968)	73,601

Adjustments for:

Miscellaneous Interest

Dividend Income

Interest income

Intangible Assets Write off

Fair Value loss from financial assets measured at FVPL

(52,372)	(78,882)
-	(26,184)
31,749,522	-
-	8
31,697,150	(105,058)
5,182	(31,458)

Operating Profit before Working Capital Changes

Change in operating assets and liabilities

Trade and Other Current Liabilities

Trade and Other Receivables

(989,200)	23,051
-	-
(989,200)	23,051

Cash generated from operations

Income Taxes (Paid) / Refund

(984,018)	(8,467)
-	436,446
(984,018)	428,039

Net Cash inflow from Operating Activities

B. CASH FLOW FROM INVESTING ACTIVITIES:

Sale of Investment in Mutual Fund

1,724,000	26,184
1,724,000	26,184

Net Cash outflow from Investing Activities

C. CASH FLOW FROM FINANCING ACTIVITIES

Miscellaneous Interest Paid

-	-
-	-

Net Cash outflow from Financing Activities

Net Increase (decrease) in cash and cash equivalents

739,982	454,223
739,982	454,223

Cash and Cash Equivalents as at 31st March, 2019

1,084,337	630,114
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Cash and Cash Equivalents as at 31st March, 2020

1,824,319	739,982	1,084,337	454,223
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Cash and cash equivalents comprise:

Cash on hand

Balances with banks on current accounts

31.03.2020	31.03.2019	31.03.2018
-	-	-
1,824,319	1,084,337	630,114
1,824,319	1,084,337	630,114

This is the Cash Flow Statement referred to in our report of even date.

For S.K.Singhania & Co

Firm Registration No. 302040E 302206 E

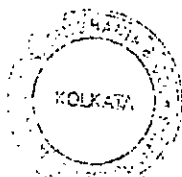
Chartered Accountants

Rajesh Kumar Singhania

Partner

M.No. : 052722

Kolkata : 30th July, 2020



A.N.Basu

Director

B.L.Bajoria

Director

JAINTIA HIGHWAY PRIVATE LIMITED
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31st MARCH, 2020

Amount in Rs.

A. Equity share capital

	Notes	Amount
As at 1st April, 2019		35,100,000
Change in equity share capital		-
As at 31st March, 2020	4	35,100,000

B. Other Equity

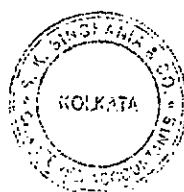
	Notes	Reserves and surplus [Refer Note 6]	Total other equity
		Retained Earnings	
Balance at 1st April, 2018	5	(1,732,287)	(1,732,287)
Profit for the year		73,601	73,601
Other Comprehensive Income for the year		-	-
Total Comprehensive Income for the year		73,601	73,601
Balance at 31st March, 2019		(1,658,686)	(1,658,686)
Balance at 1st April, 2019	5	(1,658,686)	(1,658,686)
Profit for the year		(31,691,968)	(31,691,968)
Other Comprehensive Income for the year		-	-
Total Comprehensive Income for the year		(31,691,968)	(31,691,968)
Balance at 31st March, 2020		(33,350,654)	(33,350,654)

For S.K.Singhania & Co

Firm Registration No. 302040E-30220615

Chartered Accountants

Rajesh Kumar Singhania
Partner
M.No. : 052722
Kolkata : 30th July, 2020



A.N.Basu
Director

B.L.Bajoria
Director

JAINTIA HIGHWAY PRIVATE LIMITED

Notes to the Financial Statements

1. Significant Accounting Policies

1.1 COMPANY OVERVIEW AND SIGNIFICANT ACCOUNTING POLICIES

Jaintia Highway Private Limited (hereinafter referred as ' the Company ') is a Private Company having its Registered Office at 27, Shakespeare Sarani , Kokata - 700017 was set up to execute the project of two laning of road from km. 69.200 to km 173.200 (on the Jowai- Meghalaya / Assam Border section of National Highway No.44 in the State of Meghalaya as BOT (Toll) Project on Design, Build, Finance, Operate and Transfer (DBFOT) Basis

1.2 BASIS OF PREPARATION OF FINANCIAL STATEMENTS.

i) Compliance with IND-AS.

These financial statements have been prepared to comply in all material aspects with Indian Accounting Standards as prescribed under Section 133 of the Companies Act, 2013 (the Act) read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended) and other relevant provisions of the Act.

The financial statements have been prepared on accrual basis and the accounting policies are applied consistently to all the periods presented in the financial statements . All assets and liabilities have been classified as current or non current as per the Company's normal operating cycle and other criteria as set out in the Companies Act.

ii) Historical cost convention

The financial statements are prepared under the historical cost convention method unless otherwise indicated.

1.3 FINANCIAL INSTRUMENTS

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Initial recognition and measurement

The Company recognizes a financial Instrument in its Balance Sheet when it becomes party to the contractual provisions of the instrument. All financial assets and liabilities are recognized initially at fair value, except that do not contain a significant financing component are measured at transaction price.

Subsequent measurement

For subsequent measurement, the Company classifies a financial asset and liabilities in accordance with the below criteria:

- i. The Company's business model for managing the financial asset and
- ii. The contractual cash flow characteristics of the financial asset and Liabilities.

Based on the above criteria, the Company measures its financial assets and liabilities into the following categories:

- i. At amortized cost
- ii. At fair value through other comprehensive income (FVOCI)
- iii. At fair value through profit or loss (FVPL)

Derecognition of financial asset:

The Company derecognises a financial asset when the contractual rights to cash flows from the financial asset expires or the Company transfers its contractual rights to receive cash flows of the financial asset and has substantially transferred all the risks and rewards of ownership of the financial asset.

Derecognition of financial liability

The Company derecognises a financial liability when the obligation under the liability is discharged or cancelled or expires.

1.4 PROPERTY , PLANT AND EQUIPMENT

Intangible assets are recognized as per the criteria specified in Ind As 38 "Intangible Assets" and are amortized as follows:

Project Highways representing Toll Collection Rights are obtained in consideration for rendering designing, construction, operation and maintenance services in relation to building and maintenance of the project on Design, Build, Finance, Operate and Transfer (DBFOT) basis. The cost of such Project Highways comprises construction cost including finance costs incurred during the implementation phase.

Such Project Highways on completion are capitalised as Intangible Assets and are amortised over the period of rights given under the Concession Agreement as they represent right to collect Toll revenue during the concession period.

Pre-operative expenses including administrative and other general overhead expenses, incurred up to the date of commencement of commercial operations and which are specifically attributable to construction of the carriageway are capitalized as a part of the cost of the asset. Other expenses have been written in the year of incurrence of such expenditure.

1.5 CASH AND CASH EQUIVALENTS

Cash and Cash equivalents comprise cash and cheques in hand , bank balances , demand deposits with banks where the original maturity is three months or less and other short term highly liquid investments.

1.6 PROVISION AND CONTINGENT LIABILITIES

The Company recognises a provision when there is a present obligation as a result of a past event that probably required an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources or there is present obligation, reliable estimate of the amount of which cannot be made. Where there is a possible obligation or a present obligation and the likelihood of outflow of resources is remote, no provision or disclosure for contingent liability is made.

h

1.7 CURRENT TAX

Current tax is the amount of income taxes payable in respect of taxable profit for a period. Current tax is measured using tax rates that have been enacted by the end of reporting period for the amounts expected to be recovered from or paid to the taxation authorities.

1.8 OTHER INCOME

Dividend Income on investment is accounted for when the right to receive the payment is established
Interest income is recognised using the Effective Interest Rate (EIR) method.

1.9 CLAIMS AND COUNTER CLAIMS

Claims and Counter claims (related to customers), including those under arbitration are accounted for on their final disposal. Other contract related claims are recognised when there is reasonable certainty as to their recoverability.

1.10 EARNING PER SHARE

Basic earnings per share is calculated by dividing net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Company's earnings per share is the net profit or loss for the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, if any, that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

1.11 SEGMENT REPORTING

There is no reportable segment available since the enterprise is engaged in construction business only and is geographically located in a single place.

1.12 EMPLOYEE BENEFITS

Ind AS 19 is not applicable to the enterprise.



JAINTIA HIGHWAY PRIVATE LIMITED

Notes to the Financial Statements

Note 2: Intangible assets under development

Amount in Rs

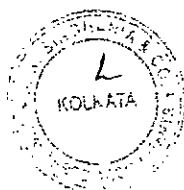
	As at 31st March, 2020	As at 31st March, 2019
Capital Work in Progress - Project Highway		
EPC Cost	-	-
Finance Charges	27,403,200	27,403,200
	27,403,200	27,403,200
Pre Operative Expenses		
Project Bidding Expenses	2,961,036	2,961,036
Consultancy Charges	993,618	993,618
Trusteeship Expenses	223,874	223,874
Custodial Fees	43,821	43,821
Traveling Expenses	292,602	292,602
Rates & Taxes	11,748	11,748
Bank Charges	2,191	2,191
Other Expenses	14,000	14,000
	4,542,890	4,542,890
Income from Mutual Fund	(196,568)	(196,568)
Less: Impairment loss	31,749,522	-
Total	-	31,749,522

JAINTIA HIGHWAY PRIVATE LIMITED

Notes to the Financial Statements

Note 3 (a): Current Investments

	Amount in Rs	
	As at 31st March, 2020	As at 31st March, 2019
Other than Trade Investments		
Investments in Mutual Funds		
Nil (2019 : 1,669.291) Units of Axis Liquid Fund - Daily Dividend Reinvestment	-	1,671,628
Total	-	1,671,628



JAINTIA HIGHWAY PRIVATE LIMITED

Notes to the Financial Statements

Note 3(b): Cash and cash equivalents

	Amount in Rs	
	As at 31st March, 2020	As at 31st March, 2019
Cash and Cash Equivalents		
Balances with Banks		
-in current accounts	1,824,319	1,084,337
Total Cash and cash equivalents	1,824,319	1,084,337

JAINTIA HIGHWAY PRIVATE LIMITED
Notes to the Financial Statements

Note 4: Share capital and other equity
Authorised share capital

Amount in Rs

	Number of Share	Amount
Equity share capital (Equity Shares of Rs 10 /- each)		
As at 1 April 2019	32,000,000	320,000,000
Increase during the year	-	-
As at 31 March 2020	<u>32,000,000</u>	<u>320,000,000</u>

(i) Movements in equity share capital

	Number of Share	Amount
Issued,Subscribed and Paid-up:		
As at 1 April 2019	3,510,000	35,100,000
Increase during the year	-	-
As at 31 March 2020	<u>3,510,000</u>	<u>35,100,000</u>

(ii) Rights, preferences and restrictions attached to shares

The Company has one class of equity shares of Rs.10/- each. Each shareholder is eligible for one vote per share held.

(iii) Details of Equity Shares held by shareholders holding more than 5% of the aggregate shares in the Company

Details of shareholder	As at 31st March, 2020	As at 31st March, 2019
(1) Simplex Infra Development Private Limited	3,500,000	3,500,000
(Formerly Simplex Infra Development Limited)	99.72%	99.72%



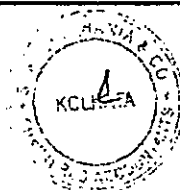
JAINTIA HIGHWAY PRIVATE LIMITED

Notes to the Financial Statements

Amount in Rs

Note 5: Reserves and Surplus

	As at 31st March, 2020	As at 31st March, 2019
Retained Earnings		
Balance at the beginning of the year	(1,658,686)	(1,732,287)
Net profit for the year	(31,691,968)	73,601
Balance at the end of the year	(33,350,654)	(1,658,686)



JAINTIA HIGHWAY PRIVATE LIMITED

Notes to the Financial Statements

Amount in Rs

Note 6(a) : Trade Payables

	As at 31st March, 2020	As at 31st March, 2019
Outstanding dues to others	17,100	8,100
Total	17,100	8,100



JAINTIA HIGHWAY PRIVATE LIMITED

Notes to the Financial Statements

Note 6 (b): Other current financial liabilities

	Amount in Rs	
	As at 31st March, 2020	As at 31st March, 2019
Due to related party		
Simplex Infrastructures Limited	57,873	1,056,073
Total	57,873	1,056,073



JAINTIA HIGHWAY PRIVATE LIMITED

Notes to the Financial Statements

Note 7 : Other Income

Amount in Rs

	Year ended 31st March, 2020	Year ended 31st March, 2019
Dividend income from investments	52,372	78,882
Income due to change in fair valuation changes in Mutual Fund	-	-
Miscellaneous Receipt	17,988	-
Interest Income	-	26,184
Total	70,360	105,066



JAINTIA HIGHWAY PRIVATE LIMITED

Notes to the Financial Statements

Note 8: Other Expenses

Amount in Rs

	Year ended 31st March, 2020	Year ended 31st March, 2019
Filing Fees	1,800	15,200
Consultancy Fees and Expenses	2,000	1,600
Rates and taxes	-	4,750
Bank Charges	2,006	738
Fair Value loss from financial assets measured at FVPL	-	8
Audit Fees [refer note 8 (a) below]	7,000	9,170
Total	12,806	31,466

Note 9(a): Details of Payment to Auditors

	Year ended 31st March, 2020	Year ended 31st March, 2019
Payment to auditors		
As auditor:		
Audit fee	7,000	9,170
In other capacities		
Certification fees	-	-
Re-imbursement of expenses	-	-
Total payment to auditors	7,000	9,170



JAINTIA HIGHWAY PRIVATE LIMITED

Notes to the Financial Statements

Note 9 (a): Financial Instruments by category

Amount in Rs

Particulars	As at 31st March, 2020			As at 31st March, 2019		
	FVPL	FVOCI	Amortised Cost	FVPL	FVOCI	Amortised Cost
Financial assets						
Investments						
Mutual Funds	-	-		1,671,628	-	-
Cash and Cash equivalents	-	-	1,824,319	-	-	1,084,337
Total Financial Assets	-	-	1,824,319	1,671,628	-	1,084,337
Financial liabilities						
Trade payables	-	-	17,100	-	-	8,100
Others	-	-	57,873	-	-	1,056,073
Total Financial Liabilities	-	-	74,973	-	-	1,064,173

JAINTIA HIGHWAY PRIVATE LIMITED
Notes to the Financial Statements

Note 9 (b): Fair value hierarchy

Amount in Rs

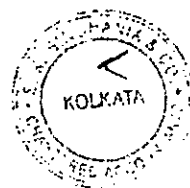
This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

	At 31st March 2020				At 31st March 2019			
	Level I	Level II	Level III	Total	Level I	Level II	Level III	Total
Financial assets and liabilities measured at fair value - recurring fair value measurements								
Financial assets								
Financial Investments at FVPL								
Investments in Mutual Funds	-	-	-	-	1,671,628	-	-	1,671,628
Total Financial Assets	-	-	-	-	1,671,628	-	-	1,671,628

Level I: Level I hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, Mutual funds that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period. The Mutual fund are valued using the closing NAV.

Level II: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level II

Level III: If one or more of the significant inputs is not based on observable market data, the instrument is included in level III.



10 FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

a) Credit risk

Credit risk refers to risk that a counterparty will default on its contractual obligation resulting in financial loss to the company. Credit risk arises primarily from financial assets such as Trade Receivables, Bank Balances and Other Financial Assets.

At each reporting date, the Company measures loss allowance for certain class of financial assets based on historical trend, industry practices and the business environment in which the Company operates.

Credit risk arising from Bank Balances and Other Financial Assets is limited because the counterparties are banks and recognised companies with high credit worthiness.

b) Liquidity risk

Liquidity risk is the risk that the Company will face in meeting its obligations associated with financial liabilities and are settled by delivering cash and other financial assets. The Company manages its liquidity risk by ensuring that the cash and banks balances and other sources are adequate to meet its working capital requirements.

The table below provides details regarding the contractual maturities of significant financial liabilities as of 31 March 2020.

Contractual maturities of financial liabilities	Less Than 1 year	1-2 year	2-4 years	4 years & above	Total
Non-derivatives					
Trade payables	17,100				17,100
Others	57,873				57,873
Total non-derivative liabilities	74,973	-	-	-	74,973

The table below provides details regarding the contractual maturities of significant financial liabilities as of 31 March 2019.

Contractual maturities of financial liabilities	Less Than 1 year	1-2 year	2-4 years	4 years & above	Total
Non-derivatives					
Trade payables	8,100				8,100
Others	1,056,073				1,056,073
Total non-derivative liabilities	1,064,173	-	-	-	1,064,173

c) Market risk

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

i) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate due to changes in foreign exchange rates. The Company is not exposed to foreign currency risk as all of its transactions are in Indian Rupee.

ii) Interest rate risk

Interest rate risk arises when the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. As the Company has no variable interest-bearing assets or liabilities, the Company's income, expenses and cash flows are independent of changes in market interest rates.

iii) Other price risk

The Company's exposure to securities price risk arises from investments in mutual funds held by the Company and classified in the balance sheet as FVPL.

The sensitivity of profit or loss to changes in Net Asset Value (NAVs) as at year end for investments in mutual funds.

Particulars	F.Y 2019-2020	F.Y 2018-2019
5% increase in NAV would increase the profit before tax by	-	83,581
5% decrease in NAV would decrease the profit before tax by	-	(83,581)



Amount in Rs.

- 11 The National Highway Authority of India (NHAI) had unilaterally declared the Appointed Date (Date of commencement of construction period of the Project) without compliance of some of its obligations provided in the Concession Agreement (herein after referred as CA) including providing of required Land/ROW and Forest Clearance to the Company. As per terms of the CA, NHAI is required to declare Appointed Date only after all the preconditions specified in the CA are complied with by it. The Company has, thus, disputed such arbitrary and unilateral declaration of the Appointed Date by NHAI. Subsequently NHAI had also arbitrarily terminated the CA and invoked the Performance Bank Guarantee (PBG) of Rs.1958 lacs which was issued on behalf of the Company to NHAI by Simplex Infrastructures Ltd (SIL), the ultimate holding Company.

In view of above, the Company had invoked the Arbitration Clause provided in the CA. The Arbitral award was not in favour of the Company fully and an amount of Rs.195.80 lacs along with interest thereon (upto the date of award) of Rs 43.64 lacs was awarded by the Tribunal. This amount has been paid by NHAI and the Company has accepted the same without prejudice to its right and the Company has refunded together with interest the aforesaid amount so received from NHAI to SIL, the ultimate holding Company. Subsequently a petition was filed by the Company in Delhi High Court challenging the aforesaid award. The verdict of Delhi High Court was not in favour of the Company and the Company therefore filed a Special Leave Petition (SLP) in the Supreme Court against the High Court Order which was dismissed. Accordingly carrying amount of assets in excess of Net realisable value, has been charged off and shown as exceptional items.

- 12 Contingent Liability - Rs.Nil.

- 13 Computation of Earnings per Equity Share (Basic and Diluted)

	2019-2020	2018-2019
(I) Basic		
(a) (i) Number of Equity Shares at the beginning of the year	3,510,000	3,510,000
(ii) Number of Equity Shares issued during the year	-	-
(iii) Number of Equity Shares at the end of the year	3,510,000	3,510,000
(iv) Weighted average number of Equity Shares outstanding during the year	3,510,000	3,510,000
(v) Face Value of each Equity Share (In Rs.)	10	10
(b) Amount of Profit after tax attributable to Equity Shareholders		
Profit / (Loss) for the period	(31,691,968)	73,601
(c) Basic Earning per Equity Share [(b)/(a)(iv)]	(9.029)	0.021
(II) Diluted		
(a) Dilutive Potential Equity Shares	-	-
(b) Diluted Earnings per Equity Share [Same as (I)(c) above]	(9.029)	0.021

- 14 Related Party Disclosures as per Ind AS 24

Name of the Related Party

Simplex Infrastructures Limited

Simplex Infra Development Private Limited (Formerly Simplex Infra Development Limited)

Name and Relationship	Transactions during the year	Balance outstanding at the year end	
	Reimbursement / Refund of Expenses (Net)	Equity Shares Capital	Other current financial liabilities
Ultimate Holding Company			
Simplex Infrastructures Limited	1,800	100,000	57,873
	19,951	100,000	1,056,073
Holding Company			
Simplex Infra Development Private Limited (Formerly Simplex Infra Development Limited)	-	35,000,000	-
	-	35,000,000	-
Total	1,800	35,100,000	57,873
	19,951	35,100,000	1,056,073

Figures in italics pertain to previous year

- 15 Previous year's figures are reclassified, where necessary, to conform to the current year's classification.

For S.K.Singhania & Co

Firm Registration Number . 302206E

Chartered Accountants

Rajesh Kumar Singhania

Partner

M.No. : 052722

Kolkata : 30th July, 2020

A.N.Basu

Director

B.L.Bajoria

Director