



A. B. DOTIYA & COMPANY

Chartered Accountants

CA Aditya Dotiya

ACA, B.Com

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14/15, Divya Jyoti, Road No.07, Daulat Nagar, Borivali - (E), Mumbai - 400 066.

Independent Auditor's Report

**To The Members of
M/s. Valecha LM Toll Private Limited**

Report on the Standalone Financial Statements

1. We have audited the accompanying standalone financial statements of **M/s. Valecha LM Toll Private Limited** ("the Company"), which comprises the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss and the Cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the standalone Financial Statements

2. The Hon'ble National Company Law Tribunal ("NCLT"), Mumbai Bench, had admitted the petition filed by Axis Bank Limited, Financial Creditor for initiating Corporate Insolvency Resolution Process ("CIRP") of Valecha LM Toll Pvt. Ltd. ("Company") under the Insolvency and Bankruptcy Code, 2016 (IBC) vide its Order dated March 29, 2019; wherein Mr. Udayraj Patwardhan, Insolvency Professional, having Reg. No. IBBI/IPA-001/IP-P00024/2016-17/10057 was appointed as Interim Resolution Professional ("IRP") (date of receipt of order by IRP was April 01, 2019). He was subsequently appointed as the Resolution Professional by the Committee of Creditors on May 07, 2019. Pursuant to the said order of Hon'ble NCLT and in line with the provisions of the IBC, all the powers of the Board of Directors were vested with the Resolution Professional ("RP") during the CIRP period. The company was admitted into Corporate Insolvency Resolution Process as above and the continuity of the business as going concern is underlying principle under this process.

Furthermore, the Company was referred to Hon'ble NCLT, Mumbai for order for liquidation with recommendation of the Committee of Creditors that the liquidator may first explore sale of the corporate debtor as a going concern. The Hon'ble NCLT, Mumbai has admitted the petition for liquidation of the Company and Mr. Udayraj Patwardhan, Insolvency Professional, having Reg. No. IBBI/IPA-001/IP-P00024/2016-17/10057 has been appointed as liquidator vide its Order dated October 27, 2020. Presently, the liquidator is managing the operations of the Company as a going concern.

3. 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 and Cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

4. Our responsibility is to express an opinion on these standalone financial statements based on our audit.
5. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.
6. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
7. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Director, as well as evaluating the overall presentation of the financial statements.
8. 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.

Opinion

9. 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 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 loss and its cash flows for the year ended on that date.

Going Concern

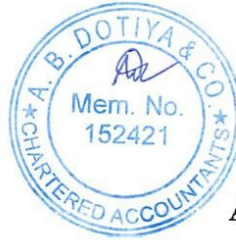
10. We draw attention to Note No.21 which indicates that the Company has incurred substantial losses from its operations for the last few years which have eroded its net worth. This may raise doubt about its ability to continue as going concern. As the liquidation is currently on-going and the liquidator is managing the operations of the Company as a going concern as stipulated by law, the financial statements have been prepared assuming that the company will continue as a 'going concern'. No adjustments are, hence, made in the financial statements that might result from the outcome of this uncertainty.

Report on Other Legal and Regulatory Requirements

11. 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 enclose in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the said Order to the extent applicable to the company.
12. As required by section 143(3) of the Companies 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 and Cash flow statement dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e. On the basis of the written representations received from the directors as on March 31, 2020, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 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".

- 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 knowledge and belief and according to the information and explanations given to us:
- i. The Company has pending legal cases against or by the Company, which may have material impact on the financial position of the Company. They mainly include an appeal preferred by the Income Tax Department before ITAT for Assessment Year 2011-12 for disallowance of expenses of Rs 35,46,72,654/- by Assessing Officer but allowed by CIT(A).
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For A.B. Dotiya & Company
FRN : 135371W
Chartered Accountants



Place : Mumbai

Date : 09th December, 2020

ADITYA DOTIYA
Proprietor
Membership No. 152421
UDIN: 20152421AAAAAY8562

**Annexure "A" to Independent Auditor's Report for the period ended 31st March 2020
(Referred to in paragraph 1 under 'Report on other legal and regulatory requirements'
section of our report to the members of M/s. Valecha L M Toll Private Limited of even
date)**

- (i) In respect of Fixed Assets
 - a) The Company has maintained proper records showing full particulars, including quantitative details and situation of its fixed assets.
 - b) All the assets were physically verified by the Management at reasonable intervals during the year, which in our opinion is reasonable having regards to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.
 - c) The title deeds of immovable properties, as disclosed in Note 1 on fixed assets to the financial statements, are held in the name of the Company.
- (ii) There was no inventory lying as on 31st March 2020 and accordingly, the provisions of Clauses (ii) of Para 3 of "the Order" are not applicable to the company.
- (iii) During the year the company has not granted any loans, Secured or unsecured to companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.
- (iv) During the year the company has not granted any loans, made any investments, given any guarantees and security. Hence, the provisions of section 185 and 186 of the Companies Act, 2013 are not applicable to the company.
- (v) During the year, the Company has not accepted any deposits from the public, therefore, paragraph 3 (v) of the order is not applicable.
- (vi) In our opinion and according to information and explanations given to us, maintenance of cost records has not been prescribed by the Central Government under Section 148(1) of the Companies Act, 2013.
- (vii) In respect of Statutory Dues
 - a) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company is generally regular in depositing its undisputed statutory dues.
 - b) According to the information and explanations given to us, there are no amounts in respect of Income Tax or GST that have not been deposited with the appropriate authorities on account of any dispute.
- (viii) According to the information and explanation given to us and records examined by us, the Company has defaulted in repayment of dues to banks an amount of Rs. 248.21 Crores (State Bank of India Rs.128.35Crores and AxisBank Rs.119.86Crores) are due to banks as at 31st March 2020. The Company does not have any dues to debenture holders during the year.

- (ix) According to information and explanations given to us, during the year no money is raised by way of initial public offer or further public offer (including debt instruments) and the term loans were applied for the purpose for which the loans were obtained.
- (x) According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- (xi) According to information and explanations given to us, the managerial remuneration has not been paid or provided, hence the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act is not required.
- (xii) The Company is not a Nidhi Company. Hence, details required under this clause are not applicable.
- (xiii) According to the information and explanations given to us, the Company has not entered into any transaction with related parties that require approval under sections 177 and 188 of the Act and rules made thereunder.
- (xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Hence, details required under section 42 of the Companies Act, 2013 are not applicable.
- (xv) The Company has not entered into any non cash transactions with its directors or persons connected with them. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.
- (xvi) The company is not an Investment Company. Therefore, it is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

Place : Mumbai
Date : 09th December, 2020.



For A.B. Dotiya & Company
FRN : 135371W
Chartered Accountants

ADITYA DOTIYA
Proprietor
Membership No. 152421

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 10(f) of the independent Auditor's Report of even date to the members of M/S. VALECHA LM TOLL PRIVATE LIMITED on the standalone financial statements for the year ended March 31, 2020.

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act.

1. We have audited the internal financial controls over financial reporting of M/s. Valecha L M Toll Private Limited ("the Company") as of March 31, 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 Act.

Auditor's Responsibility

3. 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") issued by ICAI, and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. 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.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. 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

6. A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

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

(3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

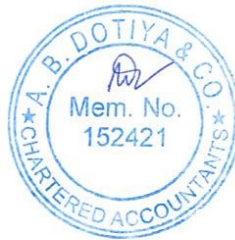
7. Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal 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

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

Place: Mumbai.

Date: 09th December, 2020.



For, A. B. Dotiya & Co.
FRN : 135371W
Chartered Accountants

A handwritten signature in blue ink that reads "Aditya".

Aditya Dotiya
Proprietor

Mem. No. 152421

UDIN: 20152421AAAAAY 8562

Valecha LM Toll Private Limited

(In Liquidation)

Balance Sheet as at 31st March, 2020

Particulars		Amount in INR		
		Note No	As at 31st March, 2020	As at 31st March, 2019
I. ASSETS				
1 Non-Current Assets				
(a)	Property, Plant and Equipment	1	807,371	866,712
(b)	Intangible Assets	1	1,764,853,366	1,878,105,989
Total Non Current Assets			1,765,660,737	1,878,972,701
2 Current Assets				
(I) Financial Assets				
(a)	Cash and Cash equivalents	2	155,720,796	7,660,172
(b)	Loans	3	797,461	649,871
(c)	Other Current Assets	4	219,002	126,354
Total current Assets			156,737,259	8,436,397
TOTAL ASSETS			1,922,397,995	1,887,409,098
II. EQUITY AND LIABILITIES				
1 Equity				
(a)	Equity Share Capital	5	100,000,000	100,000,000
(b)	Other Equity	6	(1,013,879,173)	(758,309,996)
Total Equity			(913,879,173)	(658,309,996)
2 Non Current Liabilities				
(I) Financial Liabilities				
(a)	Borrowing	7	-	-
(b)	Deferred Tax Liabilities(Net)		-	-
(b)	Provisions	8	47,733,963	46,160,768
Total Non-Current Liabilities			47,733,963	16,160,768
3 Current liabilities				
(a) Financial Liabilities				
1)	Borrowing	9	2,724,921,082	2,436,424,927
2)	Trade payables	10	18,315,954	18,208,243
(b)	Other current Liabilities	11	45,306,168	44,925,155
Total Current Liabilities			2,788,543,205	2,499,558,326
TOTAL EQUITY & LIABILITIES			1,922,397,995	1,887,409,098

The notes form an integral part of these financial statements

As per our report of even date

For A. B. DOTIYA & CO.

Chartered Accountants

FRN: 135371W



Aditya Dotiya

Proprietor

Membership No : 152421

Place : Mumbai

Date : 09-12-2020

UDIN : 20152421AAAAAY8562

for and on behalf of the Board

Santosh Kumar Patro
(Director)
DIN : 07571177



Vishwas Gondhale
(Director)
DIN : 07633340

Valecha LM Toll Private Limited

(In Liquidation)

Statement of Profit & Loss for the Year Ended on 31st March, 2020

Particulars		Note No	Amount in INR	
			As at 31st March, 2020	As at 31st March, 2019
I.	Revenue from operations		196,971,115	224,027,390
II.	Other income		2,349,045	827,992
III.	Total Revenue (I + II)		199,320,160	224,855,382
IV.	Expenses:			
	MPRDC Premium		14,922,301	14,211,715
	Employee benefits expense	12	13,459,464	10,569,236
	Finance costs	13	288,496,155	285,545,280
	Depreciation and amortization expense		113,311,964	113,656,416
	Other expenses	14	24,699,453	20,637,486
	Total Expenses		454,889,337	444,620,133
V.	Loss before exceptional and extraordinary items and tax (III-IV)		(255,569,177)	(219,764,751)
VI.	Exceptional items		-	-
VII.	Loss before extraordinary items and tax (V - VI)		(255,569,177)	(219,764,751)
VIII.	Extraordinary Items		-	-
IX.	Loss before tax (VII- VIII)		(255,569,177)	(219,764,751)
X	Tax expense:			
	(1) Current tax		-	-
	(2) Deferred tax		-	-
XI.	Loss for the period		(255,569,177)	(219,764,751)
XII.	Other Comprehensive Income			
	A Items that will not be reclassified to Profit & Loss (net of tax)			
	B Items that will be reclassified to Profit & Loss (net of tax)			
	C Transaction with owners in their capacity as owners		-	-
	Total Comprehensive income for the period (XI + XII) (Comprising profit/loss and other comprehensive income for the period)		(255,569,177)	(219,764,751)
XIII.	Earnings per equity share:			
	(1) Basic		(0.24)	(0.27)
	(2) Diluted		(0.24)	(0.27)

The notes form an integral part of these financial statements

As per our report of even date

For A. B. DOTIYA & CO.

Chartered Accountants

FRN: 135371W

For and on behalf of the Board

Aditya
Aditya Dotiya
Proprietor
Membership No : 152421
Place : Mumbai
Date : 09-12-2020



Santosh Kumar Patro
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(Director)
DIN : 07571178



Vishwas Gondhale
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(Director)
DIN : 07633340

UDIN 20152421AAAAA48562

Valecha LM Toll Private Limited

(In Liquidation)

Cash Flow Statement for the Year Ended on 31st March, 2020

	Amount in INR	
	As at 31st March, 2020	As at 31st March, 2019
A Cash flow from Operating Activity		
Loss Before Tax and Extraordinary Item	(255,569,177)	(219,764,751)
Add / (Deduct) Adjustment for :		
Depreciation	113,311,964	113,656,416
Interest (Expenses)	288,496,155	285,545,280
Interest (Income)	(2,349,045)	(827,992)
Provision for MMR	1,573,195	4,102,015
Operating Profit before working capital changes	145,463,093	182,710,968
Trade and other Receivable	(240,238)	(292,468)
Trade and other Payables	488,724	15,548,920
Net Cash Flow from Operating Activity	145,711,578	197,967,421
B Cash Flow from Investing Activity		
Interest Received	2,349,045	827,992
Net Cash flow From Investing Activity	2,349,045	827,992
C. Cash Flow from Financing Activities		
Increase in Other Equity	-	-
Interest (Expenses)	(288,496,155)	(285,545,280)
Increase in Borrowings (Unpaid Interest)	288,496,155	70,339,843
Net Cash From Financing Activities	-	(215,205,437)
Net Increase/(Decrease) in Cash and Cash Equivalents	148,060,623	(16,410,024)
Opening Balance of Cash and Cash Equivalents	7,660,172	24,070,196
Closing Balance of Cash and Cash Equivalents	155,720,796	7,660,172

As per our report of even date

For A. B. DOTIYA & CO.

Chartered Accountants

FRN: 135371W

Aditya

Aditya Dotiya
Proprietor

Membership No : 152421

Place : Mumbai.

Date : 09-12-2020



For and on behalf of the Board

Santosh Kumar Patro

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(Director)
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UDIN 20152421AAAAA48562

Valecha LM Toll Private Limited

(In Liquidation)

Statement of Changes in Equity

Amt. in INR

A. Equity Share Capital

Particulars

Balance as at March 31, 2019	10,000,000
Changes in equity share capital during the year	-
Balance as at March 31, 2020	10,000,000

B. Other Equity

Particulars	Retained Earnings	Security Premium	Reserves and Surplus		Total
			Compulsory Convertible Debenture	Corporate Guarantee	
Balance as at April 1, 2018	(1,220,015,845)	98,800,000	504,200,000	78,470,600	(538,545,245)
Profit for the year	(219,764,751)	-	-	-	(219,764,751)
Other comprehensive income	-	-	-	-	-
Balance as at March 31, 2019	(1,439,780,596)	98,800,000	504,200,000	78,470,600	(758,309,996)
Profit for the year	(255,569,177)	-	-	-	(255,569,177)
Other comprehensive income	-	-	-	-	-
Balance as at March 31, 2020	(1,695,349,773)	98,800,000	504,200,000	78,470,600	(1,013,879,173)

As per our report of even date

For A. B. DOTIYA & CO.

Chartered Accountants

FRN: 135371W



Aditya Dotlya
Membership No : 152421
Proprietor
Place : Mumbai.
Date : 09-12-2020



For and on behalf of the Board

Santosh Kumar Patro
(Director)
DIN : 07571177



Vishwas Gondhale
(Director)
DIN : 07633340

UDIN 20152421 AAAAA 48562

Valecha LM Toll Private Limited
(In Liquidation)

Notes on Financial Statements for the Year Ended on 31st March, 2020
Note - 1. Fixed Assets

Details	Rate	Gross Block		Accumulated Depreciation			Net Block		Amt. in INR
		Balance as at 1 April 2019	Additions/ (Disposals)	Balance as at 31 March 2020	Balance as at 1 April 2019	Depreciation charge for the Period	Balance as at 31 March 2020	Balance as at 1 April 2019	
(I) Tangible Assets									
Land		690,825		690,825	-	-	-	690,825	690,825
Plant and Equipment	4.75	306,802		306,802	192,399	28,600	220,999	85,803	114,403
Furniture and Fixtures	6.33	254,640		254,640	193,157	30,741	223,898	30,742	61,483
Vehicles	9.50	277,930		277,930	277,929	-	277,929	1	1
Computer		2,677,476		2,677,476	2,677,476	-	2,677,476	-	-
Office equipment	4.75	1,483,358		1,483,358	1,483,358	-	1,483,358	-	-
Total		5,691,031		5,691,031	4,824,319	59,341	4,883,660	807,371	866,712
(II) Intangible Assets									
Concessionaire Right		2,708,625,224		2,708,625,224	830,519,235	113,252,623	943,771,858	1,764,853,366	1,878,105,989
Total		2,708,625,224	-	2,708,625,224	830,519,235	113,252,623	943,771,858	1,764,853,366	1,878,105,989
(I)+(II) Gross Total		2,714,316,255	-	2,714,316,255	835,343,554	113,311,964	948,655,518	1,765,660,737	1,878,972,701



Valecha LM Toll Private Limited**(In Liquidation)****Notes on Financial Statements for the Year Ended on 31st March, 2020****Amt. in INR**

Note - 2. Cash and cash equivalents		31st March, 2020		31st March, 2019
1) Cash on Hand		159,469		1,322,549
Imprest - Toll Plaza	20,364		19,854	
Cash - LM Toll Plaza	139,105		1,301,290	
POS - LM Toll Plaza	-		1,405	
2) Balances with Banks				
In Escrow Account		62,790,958		6,337,623
Axis Bank - Toll Collection A/c No.323	1		1	
SBI - 31661293878 (Escrow A/c)	61,982,604		6,262,639	
SBI - 36090483018 (Tax Payment A/c)	808,354		74,984	
Bank Term Deposit		90,800,000		-
Fixed Deposit in SBI	90,800,000		-	
Interest Accrued on Bank Term Deposit		1,970,368		-
Interest Accrued on FD	1,970,368		-	
Total		155,720,796		7,660,172
Note - 3. Short Term Loan and Advance		31st March, 2020		31st March, 2019
Security Deposits		44,632		44,632
Security Deposit for Sales Tax	14,632		14,632	
Toll - Security Deposit	30,000		30,000	
Prepaid Expenses		752,829		605,239
Advance for Material	4,751		2,975	
Prepaid Insurance Expenses	748,078		602,264	
Total		797,461		649,871
Note - 4. Other Current Assets		31st March, 2020		31st March, 2019
TDS Receivable		219,002		126,354
TDS Receivable on Interest	219,002		126,354	
Total		219,002		126,354



Valecha LM Toll Private Limited

(In Liquidation)

Notes on Financial Statements for the Year Ended on 31st March, 2020

Note - 5. Share Capital

Particulars	As at 31st March, 2020	As at 31st March, 2019
(I) Authorised Share Capital		
2,00,00,000 Equity Shares of Rs 10 each	200,000,000	200,000,000
	200,000,000	200,000,000
(II) Equity Shares - Issued, Subscribed and Paid up		
1,00,00,000 Equity Shares of Rs 10.00 each	100,000,000	100,000,000
	100,000,000	100,000,000

2 Reconciliation of Number of shares Equity Share

Particulars	As at 31st March, 2020		As at 31st March, 2019	
	No. of Share	Amount	No. of Share	Amount
At the beginning of the year	10,000,000	100,000,000	10,000,000	100,000,000
Add: Issued during the year	-	-	-	-
At the end of the year	10,000,000	100,000,000	10,000,000	100,000,000

3 Equity shares held by each shareholder holding more than 5% equity shares in the Company are as follows:

Particulars	As at 31st March, 2020		As at 31st March, 2019	
	No. of share	% of holding	No. of share	% of holding
Valecha Infrastructure Ltd. Miranda Tools Pvt. Ltd.	7,400,000	74	7,400,000	74
(Piramal Infrastructure Pvt. Ltd. merged with this company vide NCLT Order dated 22.11.2019)	2,600,000	26	2,600,000	26
	10,000,000	100	10,000,000	100

4 Terms / Rights attached to Shares:

- (a) 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.
- (b) 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.

Note - 6. Other Equity

Particulars		As at 31st March, 2020		As at 31st March, 2019
Reserve & Surplus				
(I) Security Premium Account		98,800,000		98,800,000
(II) Surplus / (Deficit) in Statement of Profit & Loss				
Balance Brought Forward	(1,439,780,596)		(1,220,015,845)	
Surplus / (Deficit) in Statement of Profit & Loss during the Year	(255,569,177)	(1,695,349,773)	(219,764,751)	(1,439,780,596)
(III) Compulsory Convertible Debenture (Unsecured)				
Compulsory Convertible Debenture are to be converted into Equity Shares 3,73,10,000/- CCD of Rs. 10 each allotted to M/s Valecha Infrastructure Ltd.		373,100,000		373,100,000
1,31,10,000/ CCD of Rs. 10 each allotted to Miranda Tools Pvt. Ltd. (Piramal Infrastructure Pvt. Ltd. merged with this company vide NCLT Order dated 22.11.2019)		131,100,000		131,100,000
(IV) Corporate guarantee given by the Parent Company		78,470,600		78,470,600
Total		(1,013,879,173)		(758,309,996)



Valecha LM Toll Private Limited				
(In Liquidation)				
Notes on Financial Statements for the Year Ended on 31st March, 2020				
				Amt. in INR
Note - 7. Borrowing (Non-Current)				
		As at 31st March, 2020		As at 31st March, 2019
(I) Term Loans From Banks (Secured)		See Note 9 below		See Note 9 below
(II) Loans & Advances from related parties (Unsecured)		See Note 9 below		See Note 9 below
Notes of Term Loans from Banks (Secured)				
a) Security Coverage				
(Term Loans are Secured by first pari passu charge on the moveable/ immovable assets and all intangible assets by way of mortgage/ hypothecation, and first charge on rights and interest in project, present and future and by way of pledge of share held by promoter company)				
Bank	Amount Sanctioned	Interest Rate	Repayment Terms	
State Bank of India	1,110,000,000	Base rate + 2.25% + Penal Interest 1%	Payable in 44 (Forty Four) unequal quarterly instalments from March 31, 2015.	
Axis Bank	1,000,000,000	Base rate + 2% + Penal Interest 2%		
b) The Company has defaulted in repayment of loans and interests as at & for the year ended 31st March 2020				
Particulars	Period of Default	Amount of Default as at 31st March 2020		
		Principal	Interest	Total
State Bank of India	NPA since 31.12.16	960,300,000	323,164,176	1,283,464,176
Axis Bank	NPA since 31.12.16	759,426,651	439,227,272	1,198,653,923
Note - 8. Provisions Non Current				
		As at 31st March, 2020		As at 31st March, 2019
Resurfacing Expenses		47,733,963 47,733,963		46,160,768 46,160,768
As per the service concession arrangement with MPRDC, the company is obligated to carry out resurfacing of the roads under concession. The company estimates the likely provision required towards resurfacing and accrues the costs on a straight line basis over the period at the end of the which resurfacing would be required, in the Statement of Profit and Loss in accordance with Ind AS 37				
Movement				
Opening		46,160,768		42,058,753
Addition : MMR Provision		1,573,195		4,102,015
Closing		47,733,963		46,160,768



Valecha LM Toll Private Limited

(in Liquidation)

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31ST MARCH, 2020

Amt. in INR

Note - 9. Short-Term Borrowings		As at 31st March, 2020		As at 31st March, 2019
(I) Term Loans From Banks (Secured)		1,719,726,651		1,719,726,651
State Bank of India	960,300,000		960,300,000	
Axis Bank	759,426,651		759,426,651	
Provision for Interest on above		762,391,448		473,895,293
Provision for Interest-SBI	323,164,176		177,434,711	
Provision for Interest-Axis Bank	439,227,272		296,460,581	
Sub-total (I)				
SBI	1,283,464,176		1,137,734,711	
Axis Bank	1,198,653,923		1,055,887,232	
Sub-total (I)		2,482,118,099		2,193,621,944
See Note 7 for Notes of Term Loans from Banks (Secured)				
(II) Loans & Advances from related parties (Unsecured)		242,802,984		242,802,984
Piramal Infrastructure Pvt Ltd - PIPL	9,690,000		9,690,000	
Valecha Engineering Limited	232,850,502		232,850,502	
Valecha Badwani Sendhwa Tollways Ltd	83,242		83,242	
Valecha Kachchh Toll Roads Ltd	179,240		179,240	
Total		2,724,921,082		2,436,424,927
Note - 10. Trade Payable		As at 31st March, 2020		As at 31st March, 2019
Sundry Creditor-Other		18,315,954		18,208,243
Total		18,315,954		18,208,243
Note - 11. Other Current Liabilities		As at 31st March, 2020		As at 31st March, 2019
Others Payable				
1) Statutory remittance		216,781		234,828
TDS Payable	94,926		83,477	
PF Payable	86,341		145,660	
PT Payable	11,382		5,691	
ESIC Payable	24,132		-	
2) Expenses Payable		45,089,387		44,690,327
MPRDC Premium Payable	43,913,741		43,913,741	
Salary Payable	816,041		684,809	
Provision for Expenses	359,605		91,777	
Total		45,306,168		44,925,155



Valecha LM Toll Private Limited

(In Liquidation)

Notes on Financial Statements for the Year Ended on 31st March, 2020

Amt. in INR		
Note - 12. Employee benefits expense	31st March, 2020	31st March, 2019
1) Salaries & Wages	12,121,275	9,417,234
2) Contribution to ESI & Provident Fund	1,047,962	788,964
3) Others	290,227	363,038
Total	13,459,464	10,569,236
Note - 13. Finance costs	31st March, 2020	31st March, 2019
Interest Expense - On Fixed Period Loan	288,496,155	285,545,280
Total		285,545,280
Note - 14. Other expenses	31st March, 2020	31st March, 2019
1) Business Promotion	22,451	24,303
2) Expenses pertaining to running of CIRP	9,204,050	-
3) Communication	50,641	54,798
4) Insurance	959,513	326,125
5) Legal & Professional Fee	822,955	2,642,051
6) Power & Fuel	1,939,486	2,010,666
7) Printing & Stationery	211,745	152,780
8) Rates & Taxes	467,797	469,609
9) Repairs & Maintenance- Road	3,970,447	3,867,208
10) Repairs & Maintenance- Vehicles	436,916	386,752
11) Travelling & Conveyance	55,114	157,851
12) Toll Operation & Maintenance	3,761,702	4,805,540
13) Payment to Auditors	236,000	236,000
14) Sundry Operational Expenses	43,438	615,119
15) Toll Collection System - Amc	944,003	786,668
16) Corporate Guarantee Fees	-	-
17) MMR Provision	1,573,195	4,102,015
Total	24,699,453	20,637,486



Notes on Accounts Forming Part of the Balance Sheet as at 31st March, 2020

NOTES TO THE FINANCIAL STATEMENTS

15. Contingent Liabilities on the date of the balance sheet:

Labour Cess Payment of Rs.49,52,000/- (Calculated vide letter dated 11-04-2019 from Labour Commissioner's Office, Indore, MP and the order passed by the appropriate authority on 24-04-2019).

Interest of Rs.2,15,61,340.52 on Concession Fees (Premium) of Madhya Pradesh Road Development Corporation (MPRDC).

16. Employees' Retirement and Other Benefits:

The Company has not provided for the Employees Retirement & Other Benefits over years. These details are now being worked out and yet to be arrived at. Accordingly, the same remains to be provided to that extent.

17. Related party Disclosure:

The Company has undertaken following transactions with the related parties in terms of IND AS -24 "Related Party Disclosure":

A) The name of related parties with the nature of relationship:

Promoters & Associates	Relationship
Valecha Infrastructures Ltd (VIL)	Promoter holding 74% of Share capital
Miranda Tools Pvt. Ltd. [Piramal Infrastructure Pvt. Ltd. (PIPL) merged with this company vide NCLT Order dated 22.11.2019]	Share holder holding 26% of Share capital
Valecha Engineering Limited (VEL)	EPC Contractor and Ultimate Holding Company
Valecha Badwani Sendhwa Toll Ways Limited (VBSTL)	Fellow Subsidiary
Valecha Kachchha Toll Roads Ltd.	Fellow Subsidiary

Key Management Personnel	Relationship
Mr. Santosh Kumar Patro	Director
Mr. Vishwas Gondhale	Director



B) Transaction with the related parties. (FY 2019-20)

Nature of Transaction	Closing Balance (2019-20)	Closing Balance (2018-19)	Name of the Party
Unsecured Loan (payable)	Rs. 23,28,50,502/-	Rs. 23,28,50,502/-	Valecha Engineering Limited (VEL)
	Rs. 96,90,000/-	Rs. 96,90,000/-	Miranda Tools Pvt. Ltd. [Piramal Infrastructure Pvt. Ltd. (PIPL) merged with this company vide NCLT Order dated 22.11.2019
Retention Money (payable)	Rs. 1,50,00,000/-	Rs. 1,50,00,000/-	Valecha Engineering Limited (VEL)
Equity Contribution	Rs. 7,40,00,000/-	Rs. 7,40,00,000/-	Valecha Infrastructure Ltd (VIL)
	Rs. 2,60,00,000/-	Rs. 2,60,00,000/-	Miranda Tools Pvt. Ltd. [Piramal Infrastructure Pvt. Ltd. (PIPL) merged with this company vide NCLT Order dated 22.11.2019
Compulsory Convertible Debentures	Rs. 37,31,00,000/-	Rs. 37,31,00,000/-	Valecha Infrastructure Ltd (VIL)
	Rs. 13,11,00,000/-	Rs. 13,11,00,000/-	Miranda Tools Pvt. Ltd. [Piramal Infrastructure Pvt. Ltd. (PIPL) merged with this company vide NCLT Order dated 22.11.2019
Short Term Borrowings	Rs. 1,79,240/-	Rs. 1,79,240/-	Valecha Kachchh Toll Roads Ltd. (VKTRL)
	Rs. 83,242/-	Rs. 83,242/-	Valecha Badwani Sendhwa Toll Ways Ltd. (VBSTL)

18. Segment Reporting

The Company is a special purpose vehicle which has a single special purpose of development of Lebad Manpur Road Section in the state of Madhya Pradesh on BOT basis; therefore segment reporting is not applicable as per IND AS - 108

19. Provision for Taxes:**A. Current Tax:**

The Provision for income tax is determined in accordance with the provisions of Income Tax Act 1961. Further, expenditure on emoluments to staff of VEL working on deputation with the Company, to the extent incurred by the company, has been recognized as revenue expense and charged to Profit and Loss Account (Employees benefits expense) of the Company accordingly. TDS and other deductions on the same have been complied with by VEL.

B. Deferred Tax Liabilities:

Deferred Tax Liability is recognized on timing differences between the taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. It is calculated using the applicable tax rates and tax laws that have been enacted on the balance sheet date.



Deferred Tax Liability/ (Assets) are as under:

Deferred tax liability/(Assets)	As at 31 st March, 2020	As at 31 st March, 2019
On account of Timing difference between the depreciation as per companies act and income tax act on Fixed Assets (Tangible and Intangible Assets)	---	---

20. Auditors Remuneration (including taxes):

Particulars	(Amount in INR)	
	2019-20	2018-19
Payment to Statutory Auditor inclusive of GST	2,06,500	2,06,500
Payment to Tax Auditor inclusive of GST	29,500	29,500
Total	2,36,000	2,36,000

21. The Company has incurred substantial losses from its operations for the last few years which have eroded its net worth. This may raise doubt about its ability to continue as going concern.

The Hon'ble National Company Law Tribunal ("NCLT"), Mumbai Bench, had admitted the petition filed by Axis Bank Limited, Financial Creditor for initiating Corporate Insolvency Resolution Process ("CIRP") of Valecha LM Toll Pvt. Ltd. ("Company") under the Insolvency and Bankruptcy Code, 2016 (IBC) vide its Order dated March 29, 2019; wherein Mr. Udayraj Patwardhan, Insolvency Professional, having Reg. No. IBBI/IPA-001/IP-P00024/2016-17/10057 was appointed as Interim Resolution Professional ("IRP") (date of receipt of order by IRP was April 01, 2019). He was subsequently appointed as the Resolution Professional by the Committee of Creditors on May 07, 2019. Pursuant to the said order of Hon'ble NCLT and in line with the provisions of the IBC, all the powers of the Board of Directors were vested with the Resolution Professional ("RP") during the CIRP period. The company was admitted into Corporate Insolvency Resolution Process as above and the continuity of the business as going concern is underlying principle under this process.

Furthermore, the Company was referred to Hon'ble NCLT, Mumbai for order for liquidation with recommendation of the Committee of Creditors that the liquidator may first explore sale of the corporate debtor as a going concern. The Hon'ble NCLT, Mumbai has admitted the petition for liquidation of the Company and Mr. Udayraj Patwardhan, Insolvency Professional, having Reg. No. IBBI/IPA-001/IP-P00024/2016-17/10057 has been appointed as liquidator vide its Order dated October 27, 2020. As the liquidation is currently on-going and the liquidator is managing the operations of the Company as a going concern as stipulated by law, the financial statements have been prepared assuming that the company will continue as a 'going concern'. No adjustments are, hence, made in the financial statements that might result from the outcome of this uncertainty.


22. Claim with MPRDC:

- a. The company has lodged a claim of Rs.146.88 lacs as interest born and Rs.34.45 lacs as interim direct cost (totaling to Rs.181.33 lacs) to the Managing Director, Madhya Pradesh Road Development Corporation Ltd, (Govt. of M.P. Undertaking) 45-A, Arera Hills, Bhopal – 462011 as compensation for suspension of toll collection operation from 08th November, 2016 to 03rd December, 2016 consequent to Demonetization vide their Letter dated 06.01.2017.



- b. Ministry of Home Affairs, Government of India vide its order dated 24.03.2020 declared a nationwide lockdown w.e.f. 25.03.2020 on account of outbreak of COVID-19 pandemic. In the present scenario of COVID-19, MPRDC vide its Order No.19189/ MPRDC/ BOT/ Toll/ 2020 dated 25th March 2020, suspended collection of toll on toll booths located on State Highways, MDRs and village roads under its jurisdiction for the period from 25th March, 2020. Accordingly, the RP instructed for stoppage of Toll operations for complying with the order, on its receipts. Further, MPRDC vide order dated April 30, 2020 directed to resume the collection of toll on the toll booths w.e.f. 04th May, 2020. Accordingly, the toll collection was resumed from 04th May, 2020. The company has lodged a claim with MPRDC for extending the concession period by 55.25 days in order to compensate the loss of revenue caused to the Corporate Debtor on account of Order passed by MPRDC, on account of suspension of Toll Collection due to lockdown order on account of outbreak of pandemic, COVID-19.
23. Provision for interest of Rs.76.24 Crores on Term Loans from SBI and Axis Bank includes interest and penal interest of Rs.32.32 Crores and Rs.43.92 Crores of SBI and Axis Bank respectively. And that interest and other charges accrued during the Corporate Insolvency Resolution Process Period, even though accounted for in the Books of Accounts do not tantamount to acceptance or modification of the claims submitted by the financial creditors, by the Resolution Professional.
24. There are pending legal cases against or by the Company, which may have material impact on the financial position of the Company. They mainly include an appeal preferred by the income-tax department before ITAT for Assessment Year 2011-12 for disallowance of expenditure of cost of project of Rs.35,00,00,000/- and interest expenses of Rs.46,72,654/- by Assessing Officer but allowed by CIT(A).
25. The previous year figures have been reworked, regrouped, rearranged, and reclassified wherever necessary to correspond with the figures of the current year.

For and on behalf of the Board


Santosh Kumar Patro
(Director)
DIN: 07571177


Vishwas Gondhale
(Director)
DIN : 07633340



Place: Mumbai
Date: 09-12-2020

ANNEXURE I

A. BACKGROUND:

1. Corporate Information:

Valecha LM Toll Pvt. Ltd. (VLMTPL) is a Private Limited Company incorporated in India on 22-04-2010 with the registered office at Valecha chamber, 4th Floor, Andheri New Link Road, Andheri (W), Mumbai -400 053. VLMTPL is a subsidiary Company of Valecha Infrastructure Limited which holds 74% of the equity share capital of the Company. The remaining 26% of the equity capital is held by Miranda Tools Pvt. Ltd. [Piramal Infrastructure Pvt. Ltd. (PIPL) merged with this company vide NCLT Order dated 22.11.2019].

VLMTPL has been set up to Design, Engineering, Construction, Development, Finance, Operation and maintenance, construction of Four Laning Road of Lebad (SH-31) to Manpur (NH-3), in Bhopal, Madhya Pradesh on Build –Operate-Transfer (BOT) basis and it operates under a single business and geographical segment.

2. Concession Arrangement entered into between VLMTPL and MPRDC:

The 'Concession Agreement' entered into between VLMTPL and MPRDC, the government of Madhya Pradesh, conferred the right to the Company to implement the project and recover the project cost, through the levy of fees/toll revenue, with a designated rate of return over a period of 25 years concession period commencing from the 27-10-2010, i.e. the date of certificate of commencement, or till such time the designated return is recovered whichever is earlier.

B. SIGNIFICANT ACCOUNTING POLICIES:

1. **Basis of preparation:** The financial statements have been prepared to comply in all material respects with the Notified accounting standards by Companies (Accounting Standards) and Rules, and the relevant provisions of the Companies Act, throughout the accounting period. The financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies have been consistently applied by the Company throughout the accounting period.
2. **Use of estimates:** The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent liabilities at the date of the financial statements and the results of operations during the reporting period end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.
3. **Revenue Recognition:**
 - A. **Toll Collection:** Toll Revenue is recognized in respect of toll collected at the Toll plaza of the company at Lebad-Manpur.
 - B. **Interest Accrued on Deposit with Bank:** Income from Interest on deposits is recognized on time proportionate method.

4. **Fixed Assets :**

- A. **Tangible Assets :** Tangible Fixed Assets are stated at original cost less depreciation
- B. **Intangible Assets :** All the expenses incurred during construction period are capitalized as intangible asset and recognized as per Accounting Standard AS 26 "Intangible Assets" issued by the Institute of Chartered Accountants of India (ICAI).

5. **Depreciation :**

- A. **Depreciation on Tangible Assets :** Tangible Fixed Assets are depreciated on the basis of useful lives of assets as prescribed in Part 'C' of Schedule-II of the Companies Act 2013.
- B. **Amortization of Intangible Assets :** Intangible Asset is amortized as per "Accounting Standard AS 26 Intangible Assets" issued by the Institute of Chartered Accountants of India (ICAI).


6. **Borrowing costs :**

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

7. **Impairment of Assets:**

The carrying amounts of assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal/external factors. An asset is impaired when the carrying amount of the asset exceeds the recoverable amount. An impairment loss is charged to the statement of profit and loss in the year in which an asset is identified as impaired. An impairment loss recognized in prior accounting period is reversed if there has been change in the estimate of the recoverable amount.

For and on behalf of the Board


Santosh Kumar Patro
(Director)
DIN: 07571177


Vishwas Gondhale
(Director)
DIN : 07633340



Place: Mumbai
Date: 09-12-2020