

CYBERABAD EXPRESSWAYS LIMITED

13TH ANNUAL REPORT

2019-20



**EIGHT LANE ACCESS CONTROLLED EXPRESSWAY –
KOLLUR TO PATANCHERU**



"Infrastructure is the life line of an economy and we add our bit to it"

CORPORATE INFORMATION**BOARD OF DIRECTORS**

| | |
|------------------------------|----------------------|
| Mr. SHARAT GOYAL | Director |
| Mr. ANIL KUMAR GUPTA | Director |
| Mr. CH. HARIVITHAL RAO | Independent Director |
| Mr. M.V. NARASIMHA RAO | Independent Director |
| Mr. KRISHNAMURTHY CHATURVEDI | Additional Director |
| Mr. UMANG MOHAN | Director |

AUDIT COMMITTEE

| | |
|------------------------------|----------|
| Mr. KRISHNAMURTHY CHATURVEDI | Chairman |
| Mr. CH. HARIVITHAL RAO | Member |
| Mr. M.V. NARASIMHA RAO | Member |

NOMINATION AND REMUNERATION COMMITTEE

| | |
|------------------------------|----------|
| Mr. M.V. NARASIMHA RAO | Chairman |
| Mr. CH. HARIVITHAL RAO | Member |
| Mr. KRISHNAMURTHY CHATURVEDI | Member |

REGISTERED OFFICE

6-3-1090, B-1, T.S.R. TOWERS,
RAJBHAVAN ROAD, SOMAJIGUDA,
HYDERABAD – 500 082, TELANGANA.

Tel: +91-40-23310330, 23314284

Fax: +91-40-23398435

Email: ghl@gayatrihighways.com

CIN: U45209TG2007PLC054996

AUDITORS

M/s. RAO & KUMAR ASSOCIATES
CHARTERED ACCOUNTANTS
HYDERABAD

BANKERS & FINANCIAL INSTITUTIONS

UNITED BANK OF INDIA

ALLAHABAD BANK

ICICI BANK LTD.

DENA BANK

INDIAN BANK

INDIA INFRASTRUCTURE FINANCE COMPANY LIMITED

VIJAYA BANK

CENTRAL BANK OF INDIA

REGISTRAR AND TRANSFER AGENT

M/s. BIGSHARE SERVICES PRIVATE LIMITED

306, RIGHT WING, AMRUTHA VILLE

OPP. YASHODA HOSPITAL, SOMAJIGUDA,

RAJBHAVAN ROAD, HYDERABAD-500082,

TELANGANA -INDIA

CONCESSIONING AUTHORITY

M/s. HYDERABAD GROWTH CORRIDOR LIMITED,

2nd FLOOR, HUDA COMPLEX,

TARNAKA,

SECUNDERABAD – 500 017

BOARDS' REPORT

To
The Members,

Your Board of Directors have immense pleasure in presenting the 13th Annual Report of your Company and is prepared based on the Audited Standalone Financial Statements of the Company for the financial year ended 31st March, 2020.

1. STATE OF COMPANY AFFAIRS**a).FINANCIAL SUMMARY:**

The following table depicts the financial results of your Company for the year ending 31st March 2020:

| S. No. | Particulars | For the year ended 31.03.2020 (Rs.) | For the year ended 31.03.2019 (Rs.) |
|--------|--|--|--|
| 1) | INCOME | | |
| | Income from Operations | 36,68,71,438 | 42,01,61,348 |
| | Other Income | 95,03,752 | 78,80,651 |
| | TOTAL | 37,63,75,190 | 42,80,42,000 |
| 2) | EXPENDITURE | | |
| | Employee Benefits Expense | 89,18,526 | 70,80,000 |
| | Finance Costs | 25,53,58,957 | 29,43,06,360 |
| | Depreciation & Amortization expense | 3,29,187 | 3,24,096 |
| | Operations & Maintenance Expenses | 17,44,75,841 | 12,51,00,165 |
| | Other Expenses | 1,52,26,770 | 1,40,09,375 |
| | TOTAL | 45,43,09,281 | 44,08,19,996 |
| 3) | PROFIT / (LOSS) BEFORE TAX | (7,79,34,091) | (1,27,77,996) |
| | Provision for Taxation: | | |
| | - Current Tax | 15,22,843 | - |
| 4) | PROFIT / (LOSS) AFTER TAX | (7,94,56,934) | (1,27,77,996) |
| | Less/Add: Prior Period adjustments | - | - |
| 5) | PROFIT / (LOSS) AFTER PRIOR PERIOD ITEMS | (7,94,56,934) | (1,27,77,996) |
| | Earning (Loss) per Share | | |
| | - Basic | (40.13) | (6.45) |
| | - Diluted | (1.78) | (0.29) |

b).Operation & Maintenance (O&M) Works:

During the financial year under review, your Company was fully engaged in Operations and Maintenance of the Project Highway, in accordance with the Concession Agreement by engaging various small contractors. The O&M works are being carried out in accordance with the stipulations given under the Concession Agreement.

Your Company has ensured that all safety aspects of the completed Project Highway are in place, which includes sign boards, gantries, crash barriers with radium stickers, solar blinkers, safety cones and safety jackets etc.

Your Company has taken the following safety measures on the Project Highway to ensure adequate safety to the commuters:

Your Company has taken the following safety measures on the Project Highway to ensure adequate safety to the commuters:

- Ambulance: An ambulance has been provided round the clock along with an on-duty paramedic to attend persons who have met with an accident.
- Recovery van: A recovery van has been provided around the clock, so as to shift vehicles that have met with an accident, so that traffic movement is smooth.
- Patrolling Vehicle: A Patrolling Vehicle has been provided by your Company to ensure that the entire Project Highway is completely and regularly monitored, in collaboration with the Concessioning Authority.
- Solar Blinkers: Solar blinkers have been placed by the Company at the ramps, vehicular underpasses & pedestrian underpasses to ensure clear night vision.
- Safety sign boards: The required number of safety sign boards has been provided along the Main Carriageway and Service roads to ensure safety of commuters.
- Speed-gun and Breathe-analyser: These are being used to monitor and control over-speeding and drunken-driving, which have been the major reasons for a number of accidents happening on the Project Highway.
- Median plantation and watering: In accordance with the specifications of the Concession Agreement, your Company is maintaining the median plantation and watering thereof is being done on a daily basis through drip irrigation.
- Jungle/Weed clearance: Weeds in the median, at the service roads and on the shoulders of the Main Carriageway are being cleared on a daily basis.
- Repairs to Crash barriers, Signboards, kerbs, Saucer Drain, Chute drains etc due to accidental damages and natural wear and tear.
- Payment of electricity bills regularly for the maintenance of lights at all Vehicular under Passes (VUP) and Pedestrian under Passes (PUP) and at all Junctions.

C).Major Maintenance works:

The first major maintenance activity which was due in FY 2017-18 is completed by the SPV in the current year. The independent consultant had given the major maintenance works completion certificate vide its letter dated 1st August, 2019.

d). Status on Balance Punch List Items:

Your Company has completed the work on the land available, under the punch-list items as specified by the Independent Consultant appointed by the Concessioneing Authority. However, HGCL has still not handed over a negligible portion of the land, due to which the work could not be executed at Ramp no 9. The ROW matter is pending with the Honorable High Court. Apart from the above there is a minor work on account of lane marking which can be done only after the completion of the Ramp no 9.

Unless the HGCL/HMDA hands over the balance ROW, it is not possible to complete the full portion of work.

e). Annuity receipts from HGCL:

During the period your company has received the Eighteen Annuity due on 19th June 2019 and Nineteen Annuity due on 19th December 2019 was received by the Company.

The Annuity received have been utilized by the Company for servicing the debt availed from the lenders, for O&M works at the project site and completion of balance works at the site.

f). Delay in Project Completion:

The members are fully aware of the fact that the project has been delayed due to the reasons not attributable to your Company such as delay in handing-over the land in accordance with the Concession Agreement. The major reasons for the delays are identified as follows:

- a. As per Clause 13.5.1 of the Concession Agreement, the additional land required for junctions are to be handed over to the Concessionaire within 180 days from the Commencement Date (20th December 2007). However, the actual handover was completed by HGCL on 24th December 2010.
- b. Further, the land require for Patancheru Interchange was actually handed-over on 24th December 2010.
- c. According to the Concession Agreement, it is the obligation of the Concessionaire to obtain all necessary clearances/approvals, except General Arrangement Drawings (GADs) from Railways for the constriction of ROB/RUB.
- d. However, there was an inordinate delay in obtaining approval from Railways for launching of girders. Hence, the construction of ROB was suspended, thereby contributing to the delay in completion of the project.
- e. The delay in shifting of HT Lines by APTRANSCO has caused a delay in construction of VUP at KM. 20+300.
- f. HGCL has not issued Change of Scope orders for many Change of Scope items, e.g. VUP at Km. 23+436, Patancheru DT Interchange etc. due to which the project was delayed inordinately.

It is evident from the above that the delay in completion of the project is entirely due to the default of the Concessioneing Authority (HGCL) in compliance with the Concession Agreement and not due to any default on the part of your Company.

In view of the above, your Company is eligible to obtain the arrears of Annuities [i.e. Annuities pertaining to the period from Scheduled Project Completion Date (SPCD) and Commercial Operations Date (COD)] and a Bonus Annuity, the details of which are given herein below.

g) X- Factor and Eligibility to receive first 3 Annuities, part of 4th Annuity and a Bonus Annuity:

In view of the defaults made by the Concessioneing Authority in compliance with the Concession Agreement, your Company applied to the Independent Consultant to consider and recommend x-factor delay to the Concessioneing Authority. After a lot of deliberations and meetings on the said issue, the Independent Consultant has recommended x-factor of 742 days to M/s HGCL. The following table shows the Annuities receivable by your Company from HGCL:

| S. No. | Revised Annuity Dates | Annuity Period | | Amount of Annuity (Rs.) | Due Date |
|--------------------------|-----------------------|----------------|-----------|-------------------------|-----------|
| | | From | To | | |
| 1 | 19-Dec-10 | 19-Jun-10 | 18-Dec-10 | 39,50,00,000 | 22-Jun-12 |
| 2 | 19-Dec-11 | 19-Dec-10 | 18-Jun-11 | 39,50,00,000 | 22-Jun-12 |
| 3 | 18-Jun-12 | 19-Jun-11 | 18-Dec-11 | 39,50,00,000 | 22-Jun-12 |
| 4 | 19-Dec-12 | 19-Dec-11 | 30-Mar-12 | 22,39,01,800 | 22-Jun-12 |
| Sub – Total (A) | | | | 140,89,01,800 | |
| Bonus Annuity (B) | | | | 39,50,00,000 | |
| Grand Total (A+B) | | | | 180,39,01,800 | |

The Invoices for the aforesaid 4 Annuities were submitted by your Company on 23rd June 2012 to the IC/CGM and once again on 28th March 2013.

After several deliberations on the matter, the Telangana State Government represented by the Principal Secretary, Department of Municipal Administration & Urban Development (MA&UD) had sought a legal opinion from the Additional Advocate General regarding the maintainability of the Company's request for the arrears of Annuity and Interest on delayed payment thereof.

Your Directors take pleasure in informing the members that the Additional Advocate General has issued a positive opinion and has categorically stated that your Company is eligible to receive the Annuities between SPCD and COD, as aforesaid, apart from Interest on delayed payment of these Annuities and a Bonus Annuity.

We understand that The Metropolitan Commissioner, HMDA has requested the Special Chief Secretary to Govt., MA & UD Department, Govt of Telanagana to release the amount of Rs 140.89 Crores to make payment to Cyberabad Expressways Limited upon signing of the Supplementary Agreement

Inspite of all the above, the HMDA/HGCL is taking backfoot which is evident from the latest letter dated 12.04.2016 written by Metropolitan Commissioner, HMDA/HGCL to the Special Chief Secretary to Telangana Government, MA & UD Department that the matter has to be referred to arbitration committee for payment of Annuity between SPCD & COD and interest on Bonus if needed duly taking

opinion from legal firm conversant with similar matter. Hence, that the Company has filed a writ petition with High Court to collect dues from the HGCL/HMDA.

h) Term Loans and Servicing thereof:

The members are aware that your Company has drawn the entire Term Loan of Rs.376.31 Crores from the lenders.

The irregularity in debt-servicing during the year was largely due to delays in receipt of Annuities from the Concessioneing Authority, the underlying reasons for which have already been explained above.

2. FUTURE OUTLOOK

In the last month of FY 2020, the COVID-19 pandemic developed rapidly into a global crisis, forcing governments to enforce lock-downs of all economic activity. Our company has taken enough measures for the safety of employees and on minimizing disruption of services on the Road project.

During the Financial Year 2019-20, the company has received the annuity amounts from HGCL/HMDA and had no impact of Covid-19 on the performance of the company during the year. Since the receipt of the Annuities are from the government/ public sector entity i.e., HGCL/HMDA, the risk of non-payment of annuities for the financial year 2020-21 is very low. However, there may be slight delays in payment of annuities from HGCL/HMDA due to the ongoing Covid-19 pandemic. The Company is confident that the Covid-19 may not make any impact on the company's revenue and operations.

The foremost priority of your Company is now to ensure receipt of the Annuity arrears, along with Bonus Annuity, Interest thereon etc. from the Concessioneing Authority as mentioned hereinabove, thereby enabling the Company to service the Term Loans (Interest payments and Principal Repayments) availed from the lenders, without any delays.

Apart from this, after completion of the punch-list items, your Company is planning to apply for the Final Completion Certificate.

Your Directors are putting-in all the required efforts to achieve the above targets.

3. EXTRACT OF ANNUAL RETURN

The Extracts of Annual Return is prepared in Form No.MGT.9 as per the provisions of Section 92(3) of the Companies Act, 2013 ["Act"] read with Rule 12 of Companies (Management and Administration) Rules, 2014, and the same is annexed as **Annexure-1**.

4. BOARD MEETINGS

During the year ended 31st March, 2020, the minimum number of Five Board Meetings were convened and held. The intervening gap between the two consecutive Meetings was within the period prescribed under the Companies Act, 2013.

The dates on which the Board meetings were held are 22nd May, 2019, 9th August, 2019, 16th August, 2019, 2nd November, 2019 and 28th January, 2020.

Attendance of Directors at the meetings:

The details of the attendance of the Directors at the Board meetings held during the year ended 31st March, 2020.

| Name of the Director | Number of Board Meetings | |
|----------------------|--------------------------|----------|
| | Held | Attended |
| T. Rajiv Reddy | 5 | 2 |
| Sharat Goyal | 5 | 2 |
| Ch. Harivithal Rao | 5 | 5 |
| M.V. Narasimha Rao | 5 | 5 |
| Umang Mohan | 5 | 4 |
| Anil Kumar Gupta | 5 | 4 |

Audit Committee Meetings

During the year ended 31st March, 2020, four Audit Committee Meetings were held on 22nd May, 2019, 9th August, 2019, 23rd October, 2019 and 28th January, 2020.

Attendance of members at the Audit Committee Meeting:

The details of the attendance of the Directors at the Audit Committee meetings held during the year ended 31st March, 2020.

| Name of the Director | Number of Audit Committee Meetings | |
|----------------------|------------------------------------|----------|
| | Held | Attended |
| M.V. Narasimha Rao | 4 | 4 |
| T. Rajiv Reddy | 4 | 3 |
| Ch. Harivithal Rao | 4 | 4 |

5. DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3) (c) of the Companies Act, 2013:

- a. that in the preparation of the annual accounts for the year ended 31st March, 2020, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b. that such accounting policies were selected as mentioned in Note 2 of the Notes to the Financial Statements have been selected and applied consistently and judgment and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2020 and of the profit of the Company for the year ended on that date;
- c. that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. that the annual accounts have been prepared on a going concern basis
- e. that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively.
- f. that directors had devised proper systems to ensure compliance with the provisions of all applicable laws and such system were adequate and operating effectively.

6. DIRECTORS AND KEY MANAGERIAL PERSONNEL

The following are the changes in the Directors and Key Managerial Personnel during the period:

Mr. T. Rajiv Reddy resigned from the Directorship of the Company with effect from 4th February 2020.

No Independent Director was appointed during the period, so a statement regarding opinion of the Board with regard to integrity, expertise and experience including the proficiency is not applicable.

The following are the changes in the Directors and Key Managerial Personnel after 31st march, 2020:

- a) Krishnamurthy Chaturvedi was appointed as an Additional Director under independent category with effect from 11th June, 2020

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013.

7. STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTORS

All the Independent Directors have submitted their declaration of independence, as required pursuant to under section 149(7) of the Companies Act, 2013 stating that they meet the criteria of independence as provided in sub-section(6).

8. RE-APPOINTMENTS

Mr. Sharat Goyal, Director of the Company is retiring by rotation and being eligible, offers himself for re-appointment.

9. POLICY FOR SELECTION AND APPOINTMENT OF DIRECTORS AND THEIR REMUNERATION

The Nomination and Remuneration (N&R) Committee discusses and decides the appointment of the Board of Directors and their remuneration including the criteria for determining qualifications, positive attributes, independence of a director and other matters, as required under sub-section (3) of Section 178 of the Act.

The Committee headed by Mr. M.V. Narasimha Rao as a Chairman and Mr.Ch. Harivithal Rao and Mr. Krishnamurthy Chaturvedi, members of the Committee.

10. AUDITORS REPORT

There are no qualifications in the Auditors Report. Further, no fraud has been reported by the Auditor.

11. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

12. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

The particulars of contracts or arrangements with the related parties referred to in Section 188 of the Act are given in the Form **AOC – 2** enclosed as **Annexure-2**.

13. TRANSFER OF AMOUNT TO RESERVES

The Company does not propose to transfer any amount to any reserves for the Financial Year ended 31st March, 2020.

14. DIVIDEND

The Board of Directors does not recommend any dividend on the Equity Shares for the financial year ended 31st March, 2020.

15. MATERIAL CHANGES AND COMMITMENTS

There are no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

There has been no change in the nature of business of the Company.

16. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Information and details relating to conservation of energy and , technology absorption do not apply to the Company and there are no foreign exchange earnings and outgo during the period as required under Section 134(3)(m) of the Companies Act, 2013 read with The Companies (Accounts) Rules, 2014 is Nil.

17. STATEMENT INDICATING DEVELOPMENT AND IMPLEMENTATION OF A RISK MANAGEMENT POLICY

The source of income for your Company is Annuity from HGCL (Hyderabad Growth Corridor Limited) as per the Concession Agreement and income earned out of temporary deployment of funds. Annuity from HGCL accounts for almost 98% of the total income of your Company. Since the Annuities are payable by HGCL in accordance with the Concession Agreement, your Company does not foresee any significant risk in receipt of these Annuities, in view of the fact that a revolving Letter of Credit will be obtained from HGCL upon final completion of the project, securing all future annuities. Your Company is ensuring that the conditions of the Concession Agreement are complied with, to ensure timely receipt of Annuities.

Your company has to receive the Annuities from the Telangana State of Government. The Telangana state is having a surplus budget and is at present the Second richest state in the Country and hence there is a very low risk of receiving the annuities.

Your Company has also ensured that proper systems are planned, implemented and effectively monitored to ensure that all accounting and financial transactions are properly authorized and recorded, so as to ensure that the financial statements are free from material misstatements.

18. POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON CORPORATE SOCIAL RESPONSIBILITY INITIATIVES TAKEN DURING THE YEAR

The policy developed and implemented by the Company on Corporate Social Responsibility initiatives taken during the year is Nil as the relevant provisions of the Companies Act, 2013 in this regard are not applicable to the Company.

19. BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013, the Board has carried out an annual performance evaluation of its own performance, the directors individually, independent directors by the entire Board of Directors and as well as the evaluation of the working of its Audit Committee, and Nomination & Remuneration Committees.

20. COMPLIANCE WITH SECRETARIAL STANDARDS ON BOARD AND GENERAL MEETINGS

The Company has complied with Secretarial Standards issued by the Institute of Company Secretaries of India on Board Meetings and General Meetings.

21. SUBSIDIARY COMPANIES, JOINTLY CONTROLLED ENTITIES AND ASSOCIATE COMPANIES

During the Financial Year ending on 31st March 2020, your Company had no subsidiaries and associate Companies.

The names of companies which have become or ceased to be Company's Subsidiaries, joint ventures or associate companies during the year

During the Financial Year, no company is ceased as Company's Subsidiary, joint venture or associate company.

22. CONSOLIDATED FINANCIAL STATEMENTS

As the Company does not have any subsidiary or associate companies, the Consolidated Financial Statements are not applicable.

23. STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARIES/ ASSOCIATE COMPANIES/ JOINT VENTURES

As the Company does not have any subsidiary or associate companies, so the statement containing salient features of the financial statement of subsidiaries/ associate companies/ joint ventures is not applicable.

24. DEPOSITS

The Company has not accepted any deposits from the public in terms of Section 73 of the Act, and the Companies (Acceptance of Deposits) Rules, 2014.

25. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant material orders passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations during the period

26. STATUTORY AUDITORS

M/s. Rao & Kumar Associates, Chartered Accountants, Hyderabad (ICAI Regn. No. 003093S), were appointed as statutory auditors of the Company to hold office from the conclusion of 11th AGM until the conclusion of the 16th AGM to be held in the year 2023.

27. PARTICULARS OF EMPLOYEES

There are no employees in the Company who are drawing prescribed salary pursuant to Section 197 of the Act read with Rule, 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

28. VIGIL MECHANISM

The Company has a vigil mechanism to deal with instance of fraud and mismanagement, if any. The details of the Vigil Mechanism Policy are available for inspection by the Members at the Registered Office of the Company during business hours on working days of the Company.

29. DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

Your Company has ensured that appropriate policies and procedures are adopted for ensuring orderly and efficient conduct of the business, including adherence to Company's policies, the safeguarding of its assets, prevention and detection of fraud and error, the accuracy and completeness of accounting records, and the timely preparation of reliable financial information.

30. MAINTENANCE OF COST RECORDS

The Company is maintaining the Cost Records as specified by the Central Government under Section 148 of the Act.

31. HUMAN RESOURCES AND INDUSTRIAL RELATIONS

Your Company lays emphasis on competence and commitment of its human capital recognizing its pivotal role for organizational growth.

During the year, the Company maintained peaceful employee relations. Your Directors wish to place on record their appreciation for the commitment shown by the employees throughout the year.

32. INTERNAL COMPLAINTS COMMITTEE

The Company is not required to comply with the provisions of constitution of the Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

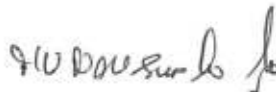
33. ACKNOWLEDGEMENTS

Your Directors express their appreciation to the Company's Regulatory, Professional & Local Bodies, Bankers, Financial Institutions, Auditors, Customers, Consultants, Service Providers for their continuous co-operation and support, and the Members for their confidence in the management of the Company.

For and on behalf of the Board of Directors

Place: **Hyderabad**


Date: 18th June, 2020



M.V.Narasimha Rao

Director

DIN: 06761474



Ch. Harivithal Rao

Director

DIN:00012970

Annexure-1

Form No. MGT-9
EXTRACT OF ANNUAL RETURN
as on the financial year ended 31.03.2020
[Pursuant to Section 92(3) of the Companies Act, 2013, and Rule 12(1) of the
Companies (Management and Administration) Rules, 2014]

| | |
|---|--|
| I. REGISTRATION AND OTHER DETAILS: | |
| CIN | U45209TG2007PLC054996 |
| Registration Date | 03/08/2007 |
| Name of the Company | CYBERABAD EXPRESSWAYS LIMITED |
| Category / Sub-Category of the Company | Company Limited by Shares/ Indian Non-Government Company |
| Address of the Registered Office and contact details | 6-3-1090, B-1, TSR Towers, Rajbhavan Road, Somajiguda, Hyderabad - 500082, Telangana. E Mail: ghl@gayatrihighways.com Tel: 040-23310330 |
| Whether listed company | Unlisted |
| Name, address and contact details of Registrar and Transfer Agent, if any | BIGSHARE SERVICES PVT. LTD. Branch Office: 306, Right Wing, Amrutha Ville, Opp, Yasodha Hospital, Rajbhavan Road, Somajiguda, Hyderabad - 500082, Telangana. E Mail: bsshyd@bigshareonline.com , Tel: 040-23374967 |

| II. Principal Business Activities of the Company | | | |
|---|---|---|---|
| All the Business Activities contributing 10% or more of the total turnover of the Company shall be stated: | | | |
| Sl. No. | Name and Description of main products / services | NIC Code of the Product/ service | % to total turnover of the company |
| 1 | Construction of Roads | 42101 | 100% |

| III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES | | | | | |
|--|--|----------------|---------------------------------------|-------------------------|---------------------------|
| Sl. No. | Name and address of the Company | CIN/GLN | Holding/ Subsidiary/ Associate | % of shares held | Applicable Section |
| NIL | | | | | |

| IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity) | | | | | | | | | |
|---|---|----------|------------------|-------------------|---|----------|------------------|-------------------|--------------------------|
| i) Category-wise Share Holding | | | | | | | | | |
| Category of Shareholders | No. of Shares held at the beginning of the year | | | | No. of Shares held at the end of the year | | | | % Change during the year |
| | Demat | Physical | Total | % of total Shares | Demat | Physical | Total | % of total Shares | |
| A. Promoters | | | | | | | | | |
| (1) Indian | | | | | | | | | |
| a) Individual / HUF | - | 2 | 2 | 0.0001 | - | 2 | 2 | 0.0001 | - |
| b) Central Govt. | - | - | - | - | - | - | - | - | - |
| c) State Govt.(s) | - | - | - | - | - | - | - | - | - |
| d) Bodies Corporate | 7,52,400 | - | 7,52,400 | 37.99 | 7,52,400 | - | 7,52,400 | 37.99 | - |
| e) Banks / FI | - | - | - | - | - | - | - | - | - |
| f) Any Other.... | - | - | - | - | - | - | - | - | - |
| Sub-Total (A)(1): | 7,52,400 | 2 | 7,52,402 | 38.00 | 7,52,400 | 2 | 7,52,402 | 38.00 | - |
| (2) Foreign | | | | | | | | | |
| a) NRIs - Individuals | - | - | - | - | - | - | - | - | - |
| b) Other - Individuals | - | - | - | - | - | - | - | - | - |
| c) Bodies Corporate | - | - | - | - | - | - | - | - | - |
| d) Banks / FI | - | - | - | - | - | - | - | - | - |
| e) Any Other.... | - | - | - | - | - | - | - | - | - |
| Sub-Total (A)(2): | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Shareholding of Promoters (A) = (A)(1)+(A)(2) | 7,52,400 | 2 | 7,52,402 | 38.00 | 7,52,400 | 2 | 7,52,402 | 38.00 | - |
| B. Public Shareholding | | | | | | | | | |
| (1) Institutions | | | | | | | | | |
| -a) Mutual Funds / UTI | - | - | - | - | - | - | - | - | - |
| b) Banks / FI | - | - | - | - | - | - | - | - | - |
| c) Central Govt. | - | - | - | - | - | - | - | - | - |
| d) State Govt.(s) | - | - | - | - | - | - | - | - | - |
| e) Venture Capital Funds | - | - | - | - | - | - | - | - | - |
| f) Insurance Companies | - | - | - | - | - | - | - | - | - |
| g) FIs | - | - | - | - | - | - | - | - | - |
| h) Foreign Venture Capital Funds | - | - | - | - | - | - | - | - | - |
| i) Others (specify) | - | - | - | - | - | - | - | - | - |
| Sub-Total (B)(1): | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| (2) Non-Institutions | | | | | | | | | |
| a) Bodies Corporate | | | | | | | | | |
| i) Indian | 6,33,600 | - | 6,33,600 | 31.99 | 6,33,600 | - | 6,33,600 | 31.99 | - |
| ii) Overseas | 5,94,000 | - | 5,94,000 | 29.99 | 5,94,000 | - | 5,94,000 | 29.99 | - |
| b) Individuals | | | | | | | | | |
| i) Individual shareholders holding nominal share capital upto Rs. 1 lakh | - | 4 | 4 | 0.0002 | - | 4 | 4 | 0.0002 | - |
| ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh | - | - | - | - | - | - | - | - | - |
| c) Others (specify) | - | - | - | - | - | - | - | - | - |
| Sub-Total (B)(2): | 12,27,600 | 4 | 12,27,604 | 62.00 | 12,27,600 | 4 | 12,27,604 | 62.00 | - |
| Total Public Shareholding (B)=(B)(1)+(B)(2) | 12,27,600 | 4 | 12,27,604 | 62.00 | 12,27,600 | 4 | 12,27,604 | 62.00 | - |
| C. Shares held by Custodian for GDRs & ADRs | | | | | | | | | |
| Grand Total (A+B+C) | 19,80,000 | 6 | 19,80,006 | 100 | 19,80,000 | 6 | 19,80,006 | 100 | - |

ii) Shareholding of Promoters

| S.No. | Shareholders Name | Shareholding at the beginning of the year | | | Shareholding at the end of the year | | | % change in shareholding during the year |
|--------------|---|---|----------------------------------|--|-------------------------------------|----------------------------------|--|--|
| | | No. of Shares | % of total Shares of the company | % of Shares Pledged / encumbered to total shares | No. of Shares | % of total Shares of the company | % of Shares Pledged / encumbered to total shares | |
| 1 | Gayatri Highways Limited | 3,96,000 | 19.99 | - | 3,96,000 | 19.99 | - | - |
| 2 | IL & FS Engineering & Construction Co. Ltd. | 3,56,400 | 17.9999 | 100 | 3,56,400 | 17.9999 | 100 | - |
| 3 | T V Sandeep Kumar Reddy | 1 | 0.00005 | - | 1 | 0.00005 | - | - |
| 4 | J. Brij Mohan Reddy | 1 | 0.00005 | - | 1 | 0.00005 | - | - |
| Total | | 7,52,402 | 38.00 | 17.99 | 7,52,402 | 38.00 | 17.99 | - |

iii) Change in Promoters' Shareholding (Please specify, if there is no change)

| S. No | | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|-------|--|---|----------------------------------|---|----------------------------------|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| | At the beginning of the year | 7,52,402 | 38.00 | - | - |
| | Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc): | - | - | - | - |
| | At the end of the year | - | - | 7,52,402 | 38.00 |

iv) Shareholding Pattern of Top Ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs)

| Sl. No. | For Each of the Top 10 Shareholders | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|---------|---|---|----------------------------------|---|----------------------------------|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| | At the beginning of the year | 12,27,604 | 62.00 | - | - |
| | Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc): | - | - | - | - |
| | At the End of the year (or on the date of separation, if separated during the year) | - | - | 12,27,604 | 62.00 |

(v) Shareholding of Directors and Key Managerial Personnel:

| Sl. No. | For Each of the Top 10 Shareholders | Shareholding at the beginning of the year | | Cumulative Shareholding during the year | |
|---------|--|---|----------------------------------|---|----------------------------------|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| | At the beginning of the year | - | - | - | - |
| | Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc): | - | - | - | - |
| | At the End of the year | - | - | - | - |

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

| | Secured Loans excluding deposits | Unsecured Loans | Deposits | Total Indebtedness |
|--|---|----------------------------|-----------------|-------------------------------|
| Indebtedness at the beginning of the financial year | | | | |
| i) Principal Amount | 94,45,63,392 | 23,61,04,444 | - | 118,06,67,836 |
| ii) Interest due but not paid | - | - | - | - |
| iii) Interest accrued but not due | - | 8,15,97,696 | - | 8,15,97,696 |
| Total (i+ii+iii) | 94,45,63,392 | 31,77,02,140 | Nil | 126,22,65,532 |
| Change in Indebtedness during the financial year | | | | |
| Addition | - | 5,08,32,342 | - | 5,08,32,342 |
| Reduction | 52,21,06,059 | - | - | 52,21,06,059 |
| Net Change | (52,21,06,059) | 5,08,32,342 | Nil | (47,12,73,717) |
| Indebtedness at the end of the financial year | | | | |
| i) Principal Amount | 42,24,57,333 | 23,61,04,444 | - | 65,85,61,777 |
| ii) Interest due but not paid | - | - | - | - |
| iii) Interest accrued but not due | - | 13,24,30,039 | - | 13,24,30,039 |
| Total (i+ii+iii) | 42,24,57,333 | 36,85,34,483 | Nil | 79,09,91,816 |

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the Financial year company has not paid any remuneration to the Directors and Managerial personnel.

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

| Sl. No. | Particulars of Remuneration | Name of MD/WTD/ Manager | | Total Amount |
|---------|---|-------------------------|---|--------------|
| | | | | |
| 1. | Gross Salary | - | - | - |
| | (a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961 | - | - | - |
| | (b) Value of perquisites under Section 17(2) Income Tax Act, 1961 | - | - | - |
| | (c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961 | - | - | - |
| 2. | Stock Option | - | - | - |
| 3. | Sweat Equity | - | - | - |
| 4. | Commission | - | - | - |
| | as % of profit | - | - | - |
| | others, specify... | - | - | - |
| 5. | Others, please specify | - | - | - |
| | Total (A) | - | - | - |
| | Ceiling as per the Act | - | - | - |

B. Remuneration to other directors:**1. Independent Directors**

| Sl. No. | Particulars of Remuneration | Name of Directors | | Total Amount |
|---------|---|------------------------|-----------------------|----------------|
| | | Mr. Ch. Harivithal Rao | Mr. M.V.Narasimha Rao | - |
| | -Fee for attending Board/Committee Meetings | 50,000 | 50,000 | 100,000 |
| | -Commission | | | |
| | - Others, please specify | | | |
| | Total (B)(1) | 50,000 | 50,000 | 100,000 |

2. Other Non Executive Directors

| Sl. No. | Particulars of Remuneration | Name of Directors | | Total Amount |
|---------|---|-------------------|---------------|----------------|
| | -Fee for attending Board/Committee Meetings | - | - | - |
| | -Commission | - | - | - |
| | - Others, please specify | - | - | - |
| | Total (B)(2) | - | - | - |
| | Total (B)= (B)(1)+ (B)(2) | 50,000 | 50,000 | 100,000 |

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTB

| Sl. No. | Particulars of Remuneration | Key Managerial Personnel | | | |
|-----------|---|--------------------------|-------------------|-----|-------|
| | | CEO | Company Secretary | CFO | Total |
| 1. | Gross salary | - | - | - | - |
| | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | - | - | - | - |
| | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 | - | - | - | - |
| | (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961 | - | - | - | - |
| 2. | Stock Option | - | - | - | - |
| 3. | Sweat Equity | - | - | - | - |
| 4. | Commission | - | - | - | - |
| | as % of profit | - | - | - | - |
| | others, specify... | - | - | - | - |
| 5. | Others, please specify | - | - | - | - |
| | Total | - | - | - | - |

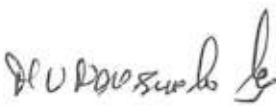
VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: There are no penalties, punishment, compounding of offences on the Company.

| Type | Section of the Companies Act | Brief Description | Details of Penalty / Punishment/ Compounding fees imposed | Authority [RD / NCLT / COURT] | Appeal made, if any (give Details) |
|-------------------------------------|------------------------------|-------------------|---|-------------------------------|------------------------------------|
| A. COMPANY | | | | | |
| Penalty | - | - | - | - | - |
| Punishment | - | - | - | - | - |
| Compounding | - | - | - | - | - |
| B. DIRECTORS | | | | | |
| Penalty | - | - | - | - | - |
| Punishment | - | - | - | - | - |
| Compounding | - | - | - | - | - |
| C. OTHER OFFICERS IN DEFAULT | | | | | |
| Penalty | - | - | - | - | - |
| Punishment | - | - | - | - | - |
| Compounding | - | - | - | - | - |

For and on behalf of the Board

Place: Hyderabad

Date: 18th June, 2020


M.V Narasimha Rao
 Director
 DIN: 06761474


Ch. Harivithal Rao
 Director
 DIN:00012970

ANNEXURE-2**Form No. AOC-2**

(Pursuant to *clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014*)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

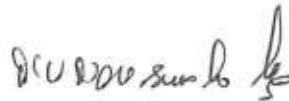
1. Details of contracts or arrangements or transactions not at arm's length basis

| | |
|---|-----|
| (a) Name(s) of the related party and nature of relationship | NIL |
| (b) Nature of contracts/arrangements/transactions | |
| (c) Duration of the contracts / arrangements/transactions | |
| (d) Salient terms of the contracts or arrangements or transactions including the value, if any | |
| (e) Justification for entering into such contracts or arrangements or transactions | |
| (f) date(s) of approval by the Board | |
| (g) Amount paid as advances, if any: | |
| (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188 | |

2. Details of material contracts or arrangement or transactions at arm's length basis

| | |
|---|---|
| (a) Name(s) of the related party and nature of relationship | During the year, no material contracts or arrangements have been entered into by the Company. |
| (b) Nature of contracts/arrangements/transactions | Not Applicable |
| (c) Duration of the contracts / arrangements/transactions | Not Applicable |
| (d) Salient terms of the contracts or arrangements or transactions including the value, if any: | Not Applicable |
| (e) Date(s) of approval by the Board, if any: | Not Applicable |
| (f) Amount paid as advances, if any: | Not Applicable |

For and on behalf of the Board

Place: **Hyderabad**Date: 18th June, 2020

M. V. Narasimha Rao**Director****DIN: 06761474**

Ch. Harivithal Rao**Director****DIN:00012970**



RAO & KUMAR ASSOCIATES

CHARTERED ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Members of
Cyberabad Expressways Limited

Report on the audit of the Standalone Ind AS Financial Statements

Opinion

We have audited the Standalone Ind AS financial statements of **Cyberabad Expressways Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2020 and the Statement of Profit and Loss, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the Standalone Ind AS financial statements, including a summary of significant accounting policies and other explanatory information for the year ended on that date.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind AS financial statements give the information required by the Companies Act, 2013 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, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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 Standalone Ind AS 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 Standalone Ind AS financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

As stated in note no. 48, we believe the company has no impact of Covid-19 on the performance of the company during the year. Our opinion is not modified in respect of this matter.

Information Other than the Ind AS Financial Statements and Auditor's 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 Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the Ind AS financial statements and our auditor's report thereon.

Our opinion on the Ind AS 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 Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with



the Ind AS 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.

Responsibility of Management and Those Charged with Governance for the Standalone 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 Standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Ind AS financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Standalone 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 it 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.

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 Companies Act, 2013, we give in the 'Annexure A' a statement on the matters specified in paragraphs 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 and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss, the statement of changes in equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid Standalone Ind AS 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 information and according to the explanations given to us:

- i. The company does not have any pending litigations which would impact its financial position except those disclosed in financial statements;
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For RAO & KUMAR ASSOCIATES

Chartered Accountants

Regn. No. 003093S

K. Sailesh,

SAILESH KOTHA

Partner

M. No. 238106

Place : Hyderabad

Date : 18th June, 2020

UDIN: 20238106AAAACO4618



Annexure 'A' to the Independent Auditor's Report of CYBERABAD EXPRESSWAYS LIMITED for the Year ended as on 31st March 2020

Annexure referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report on even date:-

- i. a. The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;
b. The Fixed Assets have been physically verified by the Management at regular Intervals and no material discrepancies were noticed on such verification.
c. The company has no immovable property hence paragraph 3(i)(c) of the Order is not applicable to the company.
- ii. As the company is engaged in the business of infrastructure development, operations and its maintenance and there is no inventory in hand at any point of time, hence paragraph 3(ii) of the Order is not applicable to the company.
- iii. The Company has not granted any loans, secured or unsecured to companies, firms, limited liabilities partnership or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Hence, reporting under clause (a) to (c) of Para 3(iii) are not applicable
- iv. The Company has not entered into any transaction in respect of loans, investments, guarantee and securities, which attracts compliance to the provisions of the sections 185 and 186 of the Companies Act, 2013. Therefore the paragraph 3(iv) of the Order is not applicable to the company.
- v. The Company has not accepted deposits and the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under are not applicable to the Company.
- vi. The Company is prima-facie maintaining the cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013.
- vii. a. According to the information and explanations given to us and on the basis of our examination of the books of accounts, the company has been generally regular in depositing undisputed statutory dues including provident fund, employee state insurance, income tax, service tax, value added tax, cess and other statutory dues during the year with the appropriate authorities. As on 31st March 2020, there are no undisputed statutory dues payables for period exceeding for a period more than six month from the date they become payable .
b. According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues which have not been deposited on account of dispute.
- viii. The company has taken term loans from various banks and a financial institution. During the year, the company has not defaulted in repayment of loans or borrowing to a banks and financial institution .The Company has not taken any loans or borrowings from Government and has not issued any debentures during the year.



- ix. Money raised by way of term loans were applied for the purpose for which it was raised. The Company has not raised money by way of initial public offer or further public offer.
- x. According to the information and explanation given to us by the management which have been relied by us, there were no frauds on or by the company noticed or reported during the period under audit.
- xi. The company has not paid managerial remuneration, hence paragraph 3(xi) of the order is not applicable to the company.
- xii. The Company is not a Nidhi Company and hence clause 3 (xii) of the Companies (Auditor's Report) Order 2016 is not applicable.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, all transactions with the related parties are in compliance with sections 177 and 188 of the Companies Act, 2013 where applicable and the details of such transactions have been disclosed in the Standalone Ind AS financial statements as required by the applicable accounting standards.
- xiv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For RAO & KUMAR ASSOCIATES

Chartered Accountants

Regn. No. 0030935

K. Sailesh,

SAILESH KOTHA

Partner

M. No. 238106

Place : Hyderabad

Date : 18th June, 2020



ANNEXURE - B TO THE INDEPENDENT AUDITORS' REPORT
(Referred to in our Report of even date)

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

We have audited the internal financial controls over financial reporting of **Cyberabad Expressways Limited** ("the Company") as of March 31, 2020 in conjunction with our audit of the Standalone 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 on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Standalone 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 Standalone Ind AS 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 Standalone 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 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 Standalone Ind AS financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 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.

For RAO & KUMAR ASSOCIATES
Chartered Accountants
Regn. No. 003093S

K. Sailesh

SAILESH KOTHA
Partner
M. No. 238106

Place : Hyderabad
Date : 18th June, 2020



CYBERABAD EXPRESSWAYS LIMITED

Balance Sheet as at 31st March 2020

(All amounts in Rs unless otherwise stated)

| | | As at | |
|--------------------------------------|-------|----------------------------|----------------------------|
| | Notes | 31st March 2020 Audited | 31st March 2019 Audited |
| ASSETS | | | |
| Non-current Assets | | | |
| Property, plant and equipment | 3 | 9,75,680 | 12,32,004 |
| Financial assets | | | |
| (i) Other financial assets | 4 | 1,04,86,91,714 | 1,53,29,22,852 |
| Other non-current assets | 5 | 5,84,19,910 | 4,41,78,139 |
| Total Non-current Assets | | 1,10,80,87,304 | 1,57,83,32,995 |
| Current Assets | | | |
| Financial assets | | | |
| (i) Trade receivables | 6 | - | - |
| (ii) Cash and cash equivalents | 7 | 12,50,35,695 | 43,57,859 |
| (iii) Other financial assets | 8 | 52,68,34,819 | 46,56,32,643 |
| Other current assets | 9 | 22,43,94,325 | 22,43,37,214 |
| Total Current Assets | | 87,62,64,839 | 69,43,27,716 |
| Total Assets | | 1,98,43,52,143 | 2,27,26,60,711 |
| EQUITY AND LIABILITIES | | | |
| Equity | | | |
| Equity share capital | 10 | 1,98,00,060 | 1,98,00,060 |
| Other Equity | 11 | (67,51,31,454) | (59,56,74,520) |
| Total Equity | | (65,53,31,394) | (57,58,74,460) |
| LIABILITIES | | | |
| Non-current Liabilities | | | |
| Financial Liabilities | | | |
| (i) Long-term borrowings | 12 | 36,85,34,483 | 74,00,62,532 |
| Provisions | 13 | 20,08,95,284 | 16,43,47,264 |
| Total Non-current Liabilities | | 56,94,29,767 | 90,44,09,796 |
| Current liabilities | | | |
| Financial liabilities | | | |
| (i) Trade payables | 14 | 15,81,615 | 5,39,97,056 |
| (ii) Other financial liabilities | 15 | 2,00,01,90,901 | 1,83,76,21,034 |
| Provisions | 16 | 5,66,37,564 | 5,00,45,042 |
| Other current liabilities | 17 | 1,18,43,690 | 24,62,243 |
| Total Current Liabilities | | 2,07,02,53,770 | 1,94,41,25,375 |
| Total Equity and Liabilities | | 1,98,43,52,143 | 2,27,26,60,711 |

The accompanying notes form an integral part of the Financial Statements

As per our report of even date attached

For RAO & KUMAR ASSOCIATES

Chartered Accountants

Firm Regn. No. 003093S

*K. Sailesh***SAILESH KOTHA**

Partner

Membership No. 238106

Place: Hyderabad

Date: 18th June 2020



For and on behalf of the Board

*M.V. Narasimha Rao***M.V.NARASIMHA RAO**

Director

DIN: 06761474

Place: Hyderabad

Date: 18th June 2020

*CH. Harivithal Rao***CH.HARIVITHAL RAO**

Director

DIN: 00012970

CYBERABAD EXPRESSWAYS LIMITED

Statement of profit and loss for the year ended 31st March 2020

(All amounts in Rs unless otherwise stated)

| | Notes | For the year ended | |
|--|-----------|----------------------------|----------------------------|
| | | 31st March 2020 Audited | 31st March 2019 Audited |
| Revenue from operations | 18 | 10,20,06,997 | 10,06,21,288 |
| Financial Income | 19 | 26,48,64,441 | 31,95,40,061 |
| Other income | 20 | 95,03,752 | 78,80,651 |
| Total Income | | 37,63,75,190 | 42,80,42,000 |
| Expenses | | | |
| Operation & Maintenance Expenses | 21 | 17,44,75,841 | 12,51,00,165 |
| Employee benefits expenses | 22 | 89,18,526 | 70,80,000 |
| Finance Costs | 23 | 25,53,58,957 | 29,43,06,360 |
| Depreciation and Amortisation Expenses | 24 | 3,29,187 | 3,24,096 |
| Other Expenses | 25 | 1,52,26,770 | 1,40,09,375 |
| Total expenses | | 45,43,09,281 | 44,08,19,996 |
| Profit before exceptional items and tax | | (7,79,34,091) | (1,27,77,996) |
| Add: Exceptional items | | - | - |
| Profit before tax | | (7,79,34,091) | (1,27,77,996) |
| Less: Tax expense | | | |
| (1) Current tax | | 15,22,843 | - |
| Profit for the year | | (7,94,56,934) | (1,27,77,996) |
| Other comprehensive income | | - | - |
| Total comprehensive income for the year | | (7,94,56,934) | (1,27,77,996) |
| Earnings per share | 40 | | |
| (Face Value Rs. 10/- per share): | | | |
| (1) Basic (in Rs.) | | (40.13) | (6.45) |
| (2) Diluted (in Rs.) | | (1.78) | (0.29) |

The accompanying notes form an integral part of the Financial Statements

As per our report of even date attached

For RAO & KUMAR ASSOCIATES

Chartered Accountants

Firm Regn. No. 0030935

K. Sailesh
SAILESH KOTHA

Partner

Membership No. 238106

Place: Hyderabad

Date: 18th June 2020

For and on behalf of the Board

M.V. Narasimha Rao

M.V.NARASIMHA RAO

Director

DIN: 06761474

Place: Hyderabad

Date: 18th June 2020

CH. Harivithal Rao

CH.HARIVITHAL RAO

Director

DIN: 00012970



CYBERABAD EXPRESSWAYS LIMITED

Statement of Cash flows for the year ended 31st March 2020

(All amounts in Rs unless otherwise stated)

| Particulars | 31st March 2020 Audited | 31st March 2019 Audited |
|---|----------------------------|----------------------------|
| Net profit / (loss) before tax and extraordinary items | (7,94,56,934) | (1,27,77,996) |
| Adjustment for | | |
| Depreciation and amortisation expense | 3,29,187 | 3,24,096 |
| Interest expense | 25,46,41,210 | 29,29,93,531 |
| Dividend from Mutual Funds | (79,92,423) | (64,99,127) |
| Operating profit before working capital changes | 16,75,21,040 | 27,40,40,504 |
| Adjustments for: | | |
| (Increase) / Decrease in Trade Receivables | - | 16,56,00,001 |
| (Increase) / Decrease in Other Financial Assets | 42,30,28,962 | 36,98,38,651 |
| (Increase) / Decrease in Other Current Assets | (57,111) | 14,685 |
| Increase / (Decrease) in Long Term Provisions | 3,65,48,020 | (14,39,00,480) |
| Increase / (Decrease) in Trade Payables | (5,24,15,441) | 2,96,97,525 |
| Increase / (Decrease) in Other Financial Liabilities | 6,02,90,670 | (10,26,60,004) |
| Increase / (Decrease) in Short Term Provisions | 65,92,522 | 88,62,587 |
| Increase / (Decrease) in Other Current Liabilities | 93,81,447 | 21,17,914 |
| | 65,08,90,109 | 60,36,11,383 |
| Income tax paid, net of refund | (1,42,41,771) | (1,58,03,959) |
| Net Cash(used in)/generated from Operating Activities | A 63,66,48,338 | 58,78,07,424 |
| Cash flow from investing activities | | |
| Dividend from Mutual Funds | 79,92,423 | 64,99,127 |
| Purchase of Fixed Assets | (72,863) | - |
| Net cash (used in)/generated from investing activities | B 79,19,560 | 64,99,127 |
| Cash flow from financing activities | | |
| Repayment of long term borrowings | (37,15,28,049) | (44,53,82,015) |
| Interest paid | (15,23,62,013) | (19,59,62,473) |
| Net cash (used in)/generated from financing activities | C (52,38,90,062) | (64,13,44,488) |
| Net increase / (decrease) in cash and cash equivalents (A+B+C) | 12,06,77,836 | (4,70,37,937) |
| Cash and cash equivalents as at the beginning of the year | 43,57,859 | 5,13,95,796 |
| Cash and cash equivalents as at the end of the year | 12,50,35,695 | 43,57,859 |
| Cash and cash equivalents comprises of: | | |
| Cash on hand | 19,199 | 14,772 |
| Balances with banks in current accounts | 12,50,16,496 | 43,43,086 |
| Total | 12,50,35,695 | 43,57,859 |

Notes:

1. Cash flow statement has been prepared under the 'Indirect Method' as set out in the Ind AS 7 - Cash Flow
2. Cash and cash equivalents represent cash and bank balances.
3. Previous year's figures have been regrouped/reclassified wherever applicable.

As per our report of even date attached

For RAO & KUMAR ASSOCIATES

Chartered Accountants

Firm Regn. No. 0030935

K. Sailesh.
SAILESH KOTHA

Partner

Membership No. 238106

Place: Hyderabad

Date: 18th June 2020



For and on behalf of the Board

M.V. Narasimha Rao

M.V.NARASIMHA RAO

Director

DIN: 06761474

Place: Hyderabad

Date: 18th June 2020

CH. Harivithal Rao

CH.HARIVITHAL RAO

Director

DIN: 00012970

CYBERABAD EXPRESSWAYS LIMITED**Statement of Changes in Equity for the year ended 31st March 2020**

(All amounts in Rs unless otherwise stated)

A. Equity share capital

| Particulars | Number of shares | Share capital (Amount in Rs.) |
|--|------------------|----------------------------------|
| Equity Shares fully paidup having face value of Rs 10/- each | | |
| Balance as at 31st March 2018 | 19,80,006 | 1,98,00,060 |
| Issued during the year | - | - |
| Balance as at the 31st March 2019 | 19,80,006 | 1,98,00,060 |
| Issued during the year | - | - |
| Balance as at the 31st March 2020 | 19,80,006 | 1,98,00,060 |

B. Other Equity**FY 2018-19 (Audited)****(Amount in Rs.)**

| Particulars | Equity component of compound financial instruments | Retained Earnings | Total |
|---|--|-------------------|----------------|
| Balance at the beginning of the reporting period i.e. 1st April 2018 | 53,60,33,432 | (1,11,89,29,956) | (58,28,96,524) |
| Changes during the period | - | - | - |
| Total Comprehensive Income for the year | - | (1,27,77,996) | (1,27,77,996) |
| Balance at the end of the reporting period i.e. 31st March 2019 | 53,60,33,432 | (1,13,17,07,952) | (59,56,74,520) |

FY 2019-20 (Audited)

| | | | |
|---|--------------|------------------|----------------|
| Balance at the beginning of the reporting period i.e. 1st April 2019 | 53,60,33,432 | (1,13,17,07,952) | (59,56,74,520) |
| Total Comprehensive Income for the year | - | (7,94,56,934) | (7,94,56,934) |
| Balance at the end of the reporting period i.e. 31st March 2020 | 53,60,33,432 | (1,21,11,64,886) | (67,51,31,454) |

The accompanying notes form an integral part of the Financial Statements

As per our report of even date attached

For RAO & KUMAR ASSOCIATES

Chartered Accountants

Firm Regn. No. 0030935

*K. Sailesh***SAILESH KOTHA**

Partner

Membership No. 238106

Place: Hyderabad

Date: 18th June 2020

For and on behalf of the Board

*M.V. Narasimha Rao***M.V.NARASIMHA RAO**

Director

DIN: 06761474

Place: Hyderabad

Date: 18th June 2020

*CH. Harivithal Rao***CH.HARIVITHAL RAO**

Director

DIN: 00012970



Cyberabad Expressways Limited
Summary of Significant Accounting Policies and Other Explanatory Information
(All amounts in Rs unless otherwise stated)

1. Corporate information

M/s Cyberabad Expressways Limited ("the Company") is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The Company is a Special Purpose Vehicle (SPV) incorporated on 3rd August, 2007 for the execution of the project "To Design, Construction, Development, Operation and Maintenance of eight lane access controlled Expressway under phase IIA programme as an extension of Phase IIA of Outer Ring Road (ORR) to Hyderabad City, in the state of Andhra Pradesh, India, for the package from Kollur to Patancheru from 12.00 Km to 23.70 Km (Project reference No ORR/PH/II-A/BOT/AP02) on Build, Operate and Transfer (BOT) (Annuity) basis". The Company has entered into a concession Agreement with Hyderabad Growth Corridor Limited (HGCL), which has specified 30 months of construction period and 12.5 years of operations and maintenance period. The Company has achieved provisional Completion Certificate with effect from 30th March 2012. The company has applied for Final Completion Certificate.

2. Summary of significant accounting policies

a) Basis of preparation of financial statements

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values. The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016. Unless otherwise stated, the accounting policies applied by the Group are consistent with those used in the previous year.

All assets and liabilities have been classified as current or non-current as per the group's normal operating cycle and other criteria set out in the Schedule III to the Act. Based on the nature of work and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the group has ascertained its operating cycle as up to twelve months for the purpose of current and non-current classification of assets and liabilities

b) Use of estimates

The preparation of the consolidated financial statements in conformity with Indian GAAP requires management to make estimates and assumptions that affect the balances of assets and liabilities and disclosures relating to contingent liabilities as at the reporting date of the financial statements and amounts of income and expenses. Examples of such estimates include the provision for doubtful receivables, determination of recoverable amounts of fixed assets, deferred tax assets, employee benefits and useful lives of fixed assets.

Although these estimates are based on management's best knowledge of current events and actions, actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in the current and future periods.

c) 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.



a. Financial Asset

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through the Statement of Profit and Loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, a 'debt instrument' is measured at the amortised cost if both the following conditions are met:

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss. This category generally applies to trade and other receivables.

Derecognition

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

- a) the rights to receive cash flows from the asset have expired, or
- b) the Company has transferred its rights to receive cash flows from the asset, and (i) the Company has transferred substantially all the risks and rewards of the asset, or (ii) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.
- c) The income pertains to the construction period will be used to derecognise/adjust against Financial Asset.

b. Financial Liability

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through the Statement of Profit and Loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.



Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through the Statement of Profit and Loss

Financial liabilities at fair value through the Statement of Profit and Loss (FVTPL) include financial liabilities designated upon initial recognition as at fair value through the Statement of Profit and Loss. Financial liabilities designated upon initial recognition at fair value through the Statement of Profit and Loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk is recognized in Other Comprehensive Income (OCI). These gains/ loss are not subsequently transferred to P&L.

However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the Statement of Profit and Loss. The Company has not designated any financial liability as at fair value through the Statement of Profit and Loss.

Loans and borrowings

This is the category most relevant to the Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest rate (EIR) method. Gains and losses are recognised in the Statement of Profit and Loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of the Statement of Profit and Loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of the Statement of Profit and Loss.

d) Fixed assets

Tangible assets are stated at cost of acquisition, less accumulated depreciation thereon. The cost of an item of fixed asset comprises its purchase price, including import duties and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use; any trade discounts and rebates are deducted in arriving at the purchase price.

Intangible assets represent commercial rights to collect toll fee in relation to roads projects which has been accounted at the cost incurred on the project activity towards reconstruction, strengthening, widening, rehabilitation of the roads on build, operate and transfer basis. It includes all direct material, labour and subcontracting costs, inward freight, duties, taxes, obligation towards negative grant payable to concessionaires, if any, and any directly attributable expenditure on making the commercial right ready for its intended use.



e) **Depreciation and amortization**

Depreciation of tangible assets is provided on the basis of straight line method in accordance with Schedule II to the Companies Act, 2013.

f) **Impairment**

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 impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital.

g) **Revenue**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Contract revenue

- Revenue from construction contracts is recognized using percentage completion method as prescribed under Ind AS 11 "Construction Contracts" and with reference to stage of completion of the contract activity, at the reporting date. Depending on the nature and terms of individual contract, stage of completion is determined on the basis of the proportion of costs incurred for the work performed till date to the total estimated contract costs.
- Price escalation and other claims and/or variation in the contract work are included in the contract revenue only when:
 - Negotiations have reached an advanced stage such that it is probable that the customer will accept the claim; and
 - The amount that is probable will be accepted by the customer and can be measured reliably.
- Revenue from services rendered on a time and material basis is recognised as per the terms of contracts with customers and as and when the related services are performed. Revenue from fixed price arrangements is recognised using the completed contract method and accordingly, work completed and not billed, if any, is recognised as unbilled revenue as at the Balance Sheet date.

Development of highways

In case of companies involved in construction and maintenance of roads, Once the infrastructure is in operation. In intangible assets modal, toll revenue from operations is recognised on accrual basis which coincides with the collection of toll. In financial assets modal, finance income is recognized using the effective interest method and revenue from operations and maintenance services (including periodic maintenance) are recognized in each period as and when services are rendered in accordance with Ind AS 18 revenue.



Cyberabad Expressways Limited
Summary of Significant Accounting Policies and Other Explanatory Information
(All amounts in Rs unless otherwise stated)

Interest income

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

Dividend income

Dividend income is accounted for when the right to receive is established.

h) Borrowings Costs

In Case of concession arrangement under financial asset model, borrowing Costs that are attributable to the acquisition and/or construction of the infrastructure are charged to The Statement of Profit and Loss in the period in which such costs are incurred.

In Case of concession arrangement under intangible asset model, borrowing cost of qualifying assets are capitalized as part of cost of such assets till such time the asset is ready for its intended use. A qualifying asset is one that requires substantial period of time to get ready for its intended use. Any income on the temporary investments of borrowings is deducted from the borrowing cost. All borrowing cost subsequent to the capitalization of the intangible assets are charged to the Statement of Profit and Loss in the period in which such costs are incurred.

i) Earnings/(loss) per share

Basic earnings per share are calculated by dividing the net the Statement of Profit and Loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net the Statement of Profit and 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, if any.

j) Employee Benefits

Provisions for/contributions to retirement benefit schemes are made as follow as per Indian Accounting Standard (Ind AS) – 19, “Employee Benefits:

- a) Provident fund on actual liability basis
- b) Gratuity based on actuarial valuation
- c) Leave encashment benefit on retirement on actuarial valuation basis.

k) Taxes on Income

Current Tax

Tax on income for the current year is determined on the basis of taxable income and tax credits computed in accordance with the provisions of the Income Tax Act, 1961.

Deferred Tax

Deferred Tax is recognized on timing differences between the accounting income and the taxable income for the year, and qualified using the tax rates and laws enacted or substantively enacted as on the Balance Sheet date.

At each reporting date, the entities in the group re-assess unrecognised deferred tax assets. It recognizes unrecognised deferred tax asset to the extent that it has become reasonably certain



Cyberabad Expressways Limited

Summary of Significant Accounting Policies and Other Explanatory Information

(All amounts in Rs unless otherwise stated)

or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realised.

The carrying amount of deferred tax assets are reviewed at each reporting date. The entities in the group writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set-off current tax assets against current tax liabilities and the deferred tax assets and deferred taxes relate to the same taxable entity and the same taxation authority.

i) Cash and Cash Equivalents

Cash and cash equivalents in the cash flow statement comprise of cash at bank and on hand and include short term investments with an original maturity of three months or less.

m) Provisions and contingent liabilities

Provision is recognized when the Company has a present obligation as a result of a past event and when it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on management's best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current management estimates. A disclosure of a contingent liability is made when there is a possible or a present obligation that may, but probably will not, require an outflow of resources.

n) Claims

- a. Company's claims against the Concessioneing Authority for additional scope of work, utility shifting etc. are accounted for as and when received.
- b. Contractor's claims regarding additional scope of work, utility shifting etc. are accounted for when related claims of the Company are received from the Concessioneing Authority.
- c. Other claims against/by the company are accounted for as and when accepted.

o) Pre-operative Expenditure

Incidental expenditure incurred during construction period towards "Concessioneire Asset" is capitalised on completion of construction and obtaining related COD.

p) Foreign currency transactions and derivatives

- a. The reporting currency of the company is the Indian Rupee.
- b. Foreign currency transactions are recorded on initial recognition in the foreign currency, using the exchange rate on the date of the transaction.
- c. At each Balance Sheet date, foreign currency monetary items are reported using the closing rate. Exchange differences that arise on settlement of monetary items or on reporting at each balance sheet date of monetary items at the closing rate are adjusted in pre-operative expenses.



CYBERABAD EXPRESSWAYS LIMITED

Summary of Significant Accounting Policies and Other Explanatory Information

(All amounts in Rs unless otherwise stated)

3 Property, plant and equipment

FY 2019-20 (31st March 2020)

| Particulars | Gross block | | | Accumulated depreciation | | | Net Block As at 31st March 2020 |
|----------------------|---------------------------------|---------------|-----------|-------------------------------|-------------------------|-----------|---------------------------------------|
| | Balance as at 1st April 2019 | Additions | Disposals | Balance at 31st March 2020 | Depreciation expense | Disposals | Balance at 31st March 2020 |
| Furniture & Fixtures | 6,171 | - | - | 6,171 | 369 | - | 6,171 |
| Computers | 83,915 | - | - | 83,915 | 25,403 | - | 70,867 |
| Vehicles | 21,03,916 | 72,863 | - | 21,76,779 | 3,03,415 | - | 12,14,147 |
| Total | 21,94,002 | 72,863 | - | 22,66,865 | 3,29,187 | - | 12,91,185 |
| | | | | | | | 9,75,680 |

FY 2018-19 (31st March 2019)

| Particulars | Gross block | | | Accumulated depreciation | | | Net Block As at 31st March 2019 |
|----------------------|---------------------------------|-----------|-----------|-------------------------------|-------------------------|-----------|---------------------------------------|
| | Balance as at 1st April 2018 | Additions | Disposals | Balance at 31st March 2019 | Depreciation expense | Disposals | Balance at 31st March 2019 |
| Furniture & Fixtures | 6,171 | - | - | 6,171 | 1,449 | - | 5,802 |
| Computers | 83,915 | - | - | 83,915 | 25,333 | - | 45,464 |
| Vehicles | 21,03,916 | - | - | 21,03,916 | 2,97,314 | - | 9,10,732 |
| Total | 21,94,002 | - | - | 21,94,002 | 3,24,096 | - | 9,61,998 |
| | | | | | | | 12,32,004 |



CYBERABAD EXPRESSWAYS LIMITED

Summary of Significant Accounting Policies and Other Explanatory Information

(All amounts in Rs unless otherwise stated)

4 Other Financial Assets - Noncurrent

| Particulars | As at 31st March 2020 | As at 31st March 2019 |
|--|--------------------------|--------------------------|
| Opening Balance | 1,95,60,51,415 | 2,32,58,90,066 |
| Less: Recognised Annuity for the year | (79,00,00,000) | (79,00,00,000) |
| Add: Financial Income | 26,48,64,441 | 31,95,40,061 |
| Add: Operating Income - O&M & MMR | 10,20,06,997 | 10,06,21,288 |
| Closing Balance | 1,53,29,22,853 | 1,95,60,51,415 |
| Less: Transferred to Current Financial Asset | (48,42,31,139) | (42,31,28,563) |
| Closing Non-current Financial asset | 1,04,86,91,714 | 1,53,29,22,852 |

5 Other Non Current Assets

| Particulars | As at 31st March 2020 | As at 31st March 2019 |
|--------------------------------|--------------------------|--------------------------|
| Electricity - Security Deposit | 7,54,235 | 7,54,235 |
| Taxes Asset (Net) - | | |
| Income tax Refund Receivable | 4,33,84,405 | 2,76,19,945 |
| TDS Receivable | 1,58,04,113 | 1,58,03,959 |
| Less: Provision for Tax | (15,22,843) | - |
| Total | 5,84,19,910 | 4,41,78,139 |

6 Trade Receivables

| Particulars | As at 31st March 2020 | As at 31st March 2019 |
|---|--------------------------|--------------------------|
| Amount Receivable from Hyderabad Growth Corridor Ltd. towards Annuity | - | - |
| Total | - | - |

No trade or other receivables are due from directors or other officers of the company either severally or jointly with any other person. Also no trade or other receivables are due from firms or private companies respectively in which any director is a partner, a director or a member.

7 Cash and Cash Equivalents

| Particulars | As at 31st March 2020 | As at 31st March 2019 |
|----------------------------|--------------------------|--------------------------|
| Balances with Banks | | |
| On current account | 12,50,16,496 | 43,43,086 |
| Cash in Hand | 19,199 | 14,772 |
| Total | 12,50,35,695 | 43,57,859 |

8 Other Financial Assets - Current

| Particulars | As at 31st March 2020 | As at 31st March 2019 |
|-------------------------------|--------------------------|--------------------------|
| Financial Asset - Carriageway | 48,42,31,139 | 42,31,28,563 |
| Due from Related Party | | |
| Capital & Work Advances | 4,08,97,960 | 4,08,97,960 |
| Other Advances | 17,05,720 | 16,06,120 |
| Total | 52,68,34,819 | 46,56,32,643 |

9 Other Current Assets

| Particulars | As at 31st March 2020 | As at 31st March 2019 |
|-----------------------------|--------------------------|--------------------------|
| Annuity Accrued but not due | 22,35,43,956 | 22,35,43,956 |
| Prepaid Expenses | 8,50,369 | 7,93,258 |
| Total | 22,43,94,325 | 22,43,37,214 |



CYBERABAD EXPRESSWAYS LIMITED

Summary of Significant Accounting Policies and Other Explanatory Information

(All amounts in Rs unless otherwise stated)

10 Equity Share Capital

| Particulars | As at 31st March 2020 | | As at 31st March 2019 | |
|--|-----------------------|--------------------|-----------------------|--------------------|
| | Number | Amount in Rs. | Number | Amount in Rs. |
| SHARE CAPITAL | | | | |
| AUTHORISED: | | | | |
| Equity Shares of Rs.10/- each | 20,00,000 | 2,00,00,000 | 20,00,000 | 2,00,00,000 |
| | 20,00,000 | 2,00,00,000 | 20,00,000 | 2,00,00,000 |
| ISSUED, SUBSCRIBED & PAID UP: | | | | |
| Equity Shares of Rs.10/- each fully paid up. | 19,80,006 | 1,98,00,060 | 19,80,006 | 1,98,00,060 |
| Total | 19,80,006 | 1,98,00,060 | 19,80,006 | 1,98,00,060 |

Foot Notes:

i. Reconciliation of the number of shares outstanding at the beginning and as on 31st March 2020.

| Particulars | As at 31st March 2020 | | As at 31st March 2019 | |
|---|-----------------------|--------------------|-----------------------|--------------------|
| | Number | Amount in Rs. | Number | Amount in Rs. |
| Number of equity shares at the beginning of the Year | 19,80,006 | 1,98,00,060 | 19,80,006 | 1,98,00,060 |
| Equity shares issued during the year | | - | | - |
| Less : Shares bought back during the year | | - | | - |
| Number of equity shares at the end of the Year | 19,80,006 | 1,98,00,060 | 19,80,006 | 1,98,00,060 |

ii) Rights / Preferences / Restrictions attaching to Equity Shares

The Company has only one class of equity shares having par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing annual general meeting. During the year ended 31st March 2020, no dividend is declared by Board of Directors. (Previous year - Nil)

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

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

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

| Name of the Shareholder | As at 31st March 2020 | | As at 31st March 2019 | |
|--|-----------------------|----------------|-----------------------|----------------|
| | No. of shares held | % of Holding | No. of shares held | % of Holding |
| Equity shares of 10/- each fully paid | | | | |
| M/s Gayatri Highways Limited | 3,96,000 | 20.00% | 3,96,000 | 20.00% |
| M/s AMP Capital Finance Mauritius Limited | 5,94,000 | 30.00% | 5,94,000 | 30.00% |
| M/s Terra Projects Private Limited | 6,33,600 | 32.00% | 6,33,600 | 32.00% |
| M/s IL&FS Engineering & Construction Company Limited | 3,56,400 | 18.00% | 3,56,400 | 18.00% |
| Total | 19,80,000 | 100.00% | 19,80,000 | 100.00% |



CYBERABAD EXPRESSWAYS LIMITED**Summary of Significant Accounting Policies and Other Explanatory Information**

(All amounts in Rs unless otherwise stated)

11 Other Equity

| Particulars | As at 31st March 2020 | As at 31st March 2019 |
|---|-----------------------|-----------------------|
| i) Equity component of 0.001% OCD: | | |
| Opening balance | 53,60,33,432 | 53,60,33,432 |
| Add/Less: Changes during the Period | - | - |
| Closing Balance (A) | 53,60,33,432 | 53,60,33,432 |
| ii) RETAINED EARNINGS: | | |
| Opening balance | (1,13,17,07,952) | (1,11,89,29,956) |
| Add:Profit/(loss) during the year | (7,94,56,934) | (1,27,77,996) |
| Closing Balance (B) | (1,21,11,64,886) | (1,13,17,07,952) |
| Total (A+B) | (67,51,31,454) | (59,56,74,520) |

12 Long-term borrowings

| Particulars | As at 31st March 2020 | As at 31st March 2019 |
|--|-----------------------|-----------------------|
| Secured Loans | | |
| From Banks | - | 35,98,08,534 |
| Financial Institution- IIFCL | - | 6,25,51,858 |
| Total (A) | - | 42,23,60,392 |
| Unsecured Loans | | |
| From related party | - | - |
| 0.001% Optionally Convertible Debentures | 36,85,34,483 | 31,77,02,140 |
| Total (B) | 36,85,34,483 | 31,77,02,140 |
| Grand Total (A+B) | 36,85,34,483 | 74,00,62,532 |

a) Nature of Security for Secured Loans:

The loans from Banks and Others are secured by way of first pari passu charge in favour of the lenders/security agent to the project by way of hypothecation of:

- All monies including Annuity receivable from HGCL to the credit of the Escrow Account.
- All rights, title, interest, benefits, claims and demands of the company under Project Agreements subject to the provisions of the Concession agreement.

c) Assignment of rights, title and interest to or in favour of the lenders pursuant to and in accordance with the Substitution Agreement as per the provisions of the Financing Documents of the Project.

b) Terms of repayment of Secured Loans

The Term loans from banks and financial institutions are repayable in 21 unequal installments commencing from 31st March 2011 till 31st March 2021

C) Rate of Interest on Secured Loans

The rate of interest on secured term loan is in accordance with the terms and conditions stipulated by the Common Loan Agreement and as mutually agreed between the Company and the lenders, which is presently at 11.50% p.a.

d) Period and Amounts of continuing defaults as on Balance Sheet Date: NIL

CYBERABAD EXPRESSWAYS LIMITED**Summary of Significant Accounting Policies and Other Explanatory Information**

(All amounts in Rs unless otherwise stated)

e) Terms of repayment of 0.001% Optionally Convertible Debentures

The issuer will have the option to convert the outstanding debentures at any time on or before the maturity date into equity shares of Rs.10 each per share.

The Debentures holder subject to consent of the Board of Directors of the Company will have a option to convert the outstanding debentures at any time on or before the maturity date into equity shares of Rs.10 each per share.

The existing Debentures holders have the Right of First refusal. The OCDs will not be listed.

Redemption premium @ 0.001% p.a on cumulative basis, calculated from the date of receipt by CEL, payable at the time of redemption on maturity date. i.e., 31st December, 2022

13 Long Term Provision

| Particulars | As at 31st March 2020 | As at 31st March 2019 |
|----------------------------------|-----------------------|-----------------------|
| Provision for major maintainance | 20,08,95,284 | 16,43,47,264 |
| Total | 20,08,95,284 | 16,43,47,264 |

14 Trade Payables

| Particulars | As at 31st March 2020 | As at 31st March 2019 |
|------------------|-----------------------|-----------------------|
| Sundry Creditors | 15,81,615 | 5,39,97,056 |
| Total | 15,81,615 | 5,39,97,056 |

The identification of micro, small and medium enterprise suppliers as defined under the provisions of "Micro, Small and Medium Enterprises Act, 2006" is based on Management's knowledge of their status.

There are no dues to micro, small and medium enterprises as on 31st March 2020 or 31st Mar 2019.

15 Other Financial liabilities - Current

| Particulars | As at 31st March 2020 | As at 31st March 2019 |
|--|-----------------------|-----------------------|
| Current maturity of long term debt | 42,24,57,333 | 52,22,03,000 |
| Interest Payable on term loans | - | - |
| Review Charges payable on Term Loans | 8,77,716 | 7,40,374 |
| Interest Payable on Short Term Borrowings | 82,60,06,883 | 72,37,27,686 |
| Short Term Borrowings | | |
| From Others | 15,25,55,164 | 15,25,55,164 |
| From Companies having Substantial Interest | 32,49,40,730 | 32,49,40,730 |
| From Fellow Jointly Controlled Entities | 24,96,98,442 | 6,26,98,442 |
| Others payables | 2,36,54,633 | 5,07,55,638 |
| Total | 2,00,01,90,901 | 1,83,76,21,034 |

16 Short Term Provisions

| Particulars | As at 31st March 2020 | As at 31st March 2019 |
|--------------------------------|-----------------------|-----------------------|
| Provision for Expenses: | | |
| Operating and Maintenance Fee | 5,57,66,888 | 4,93,04,209 |
| Provision for Other Expenses | 8,70,676 | 7,40,833 |
| Total | 5,66,37,564 | 5,00,45,042 |

17 Other Current liabilities

| Particulars | As at 31st March 2020 | As at 31st March 2019 |
|-----------------------|-----------------------|-----------------------|
| Statutory Liabilities | 1,18,43,690 | 24,62,243 |
| Total | 1,18,43,690 | 24,62,243 |



CYBERABAD EXPRESSWAYS LIMITED**Summary of Significant Accounting Policies and Other Explanatory Information**

(All amounts in Rs unless otherwise stated)

18 Revenue from operation

| Particulars | For the year ended 31st March 2020 | For the year ended 31st March 2019 |
|----------------------------------|---------------------------------------|---------------------------------------|
| Operations & Maintenance Revenue | 10,20,06,997 | 10,06,21,288 |
| Total | 10,20,06,997 | 10,06,21,288 |

19 Financial income

| Particulars | For the year ended 31st March 2020 | For the year ended 31st March 2019 |
|------------------------|---------------------------------------|---------------------------------------|
| Financial Asset income | 26,48,64,441 | 31,95,40,061 |
| Total | 26,48,64,441 | 31,95,40,061 |

20 Other income

| Particulars | For the year ended 31st March 2020 | For the year ended 31st March 2019 |
|-------------------------------|---------------------------------------|---------------------------------------|
| Income from Insurance Claims | 14,21,316 | 13,41,934 |
| Income from Mutual Funds | 79,92,423 | 64,99,127 |
| Other income | 81,912 | 39,590 |
| Interest on Income Tax Refund | 8,101 | - |
| Total | 95,03,752 | 78,80,651 |

21 Operating expenses

| Particulars | For the year ended 31st March 2020 | For the year ended 31st March 2019 |
|----------------------------------|---------------------------------------|---------------------------------------|
| Major Maintenance Expenses | 8,20,39,191 | 8,20,39,191 |
| Additional MMR Expenses | 5,87,91,322 | - |
| Operating & Maintenance Expenses | 2,87,57,719 | 2,73,72,210 |
| Other Maintenance Expenses | 48,87,609 | 1,56,88,764 |
| Total | 17,44,75,841 | 12,51,00,165 |

22 Employee benefit expenses

| Particulars | For the year ended 31st March 2020 | For the year ended 31st March 2019 |
|------------------|---------------------------------------|---------------------------------------|
| Salaries Charges | 89,18,526 | 70,80,000 |
| Total | 89,18,526 | 70,80,000 |



CYBERABAD EXPRESSWAYS LIMITED**Summary of Significant Accounting Policies and Other Explanatory Information**

(All amounts in Rs unless otherwise stated)

23 Finance cost

| Particulars | For the year ended 31st March 2020 | For the year ended 31st March 2019 |
|---|---------------------------------------|---------------------------------------|
| Interest on Term Loans | 9,01,65,315 | 14,13,60,258 |
| Interest on Advances | 11,36,43,553 | 10,78,12,288 |
| Implicit Interest on Optionally Convertible Debentures | 5,08,32,342 | 4,38,20,985 |
| Bank Charges & Commission | 5,40,747 | 9,63,329 |
| Other Finance Charges | 1,77,000 | 3,49,500 |
| Total | 25,53,58,957 | 29,43,06,360 |

24 Depreciation and amortisation

| Particulars | For the year ended 31st March 2020 | For the year ended 31st March 2019 |
|---------------------------------|---------------------------------------|---------------------------------------|
| Depreciation on Tangible Assets | 3,29,187 | 3,24,096 |
| Total | 3,29,187 | 3,24,096 |

25 Other Expenses

| Particulars | For the year ended 31st March 2020 | For the year ended 31st March 2019 |
|------------------------------|---------------------------------------|---------------------------------------|
| Insurance Expenses | 66,375 | 63,237 |
| Arbitration Expenses | 1,05,20,207 | 90,56,705 |
| Legal & Professional Charges | 26,29,300 | 29,71,420 |
| Credit Rating Fees | 1,77,000 | 1,77,000 |
| Rent | 11,95,104 | 11,95,104 |
| Audit Fee | 4,13,000 | 4,13,000 |
| Directors Sitting Fee | 1,18,000 | 59,000 |
| Travelling Expenses | 26,840 | 5,153 |
| Other Expenses | 80,944 | 68,756 |
| Total | 1,52,26,770 | 1,40,09,375 |



CYBERABAD EXPRESSWAYS LIMITED

Summary of Significant Accounting Policies and Other Explanatory Information

(All amounts in Rs unless otherwise stated)

26 Breakup of financial assets and financial liabilities carried at amortized cost

| | As at | |
|------------------------------|-----------------------|-----------------------|
| | 31st March 2020 | 31st March 2019 |
| Financial assets | | |
| Receivable under SCA | 1,53,29,22,853 | 1,95,60,51,415 |
| Trade receivables | - | - |
| Cash and cash equivalents | 12,50,35,695 | 43,57,859 |
| Others | 4,26,03,680 | 4,25,04,080 |
| Total | 1,70,05,62,228 | 2,00,29,13,354 |
| Financial liabilities | | |
| Borrowings | 79,09,91,816 | 1,26,22,65,532 |
| Trade payables | 15,81,615 | 5,39,97,056 |
| Other financial liabilities | 1,57,77,33,568 | 1,31,54,18,034 |
| Total | 2,37,03,06,999 | 2,63,16,80,622 |

The carrying amount of current financial assets and current trade and other payables measured at amortised cost are considered to be the same as their fair values, due to their short term nature.

The carrying value of Rupee Term Loan and Loan from Related Party approximate fair value as the instruments are at prevailing market rate.

27 Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the accompanying disclosures and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

28 Fair Values

The management assessed that cash and cash equivalents, trade receivables, current loans, trade payables and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments or as they carry market rate of interest.

29 Financial risk management objectives and policies

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



CYBERABAD EXPRESSWAYS LIMITED

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

29 Financial risk management objectives and policies (Continued)

a) Market Risk:

The market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. The company is not exposed to foreign currency risk as it has no borrowing or no material payables in foreign currency. The Company's activities expose it primarily to the financial risks of changes in interest rates.

i) Interest rate risk

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

The company's exposure to interest rate risk due to variable interest rate borrowings is as follows:

| | As at | |
|---|-----------------|-----------------|
| | 31st March 2020 | 31st March 2019 |
| Senior Debt from Banks - Variable rate borrowings | 42,24,57,333 | 94,45,63,392 |

Sensitivity analysis based on average outstanding Senior Debt

| | Impact on profit/ loss after tax | |
|--|----------------------------------|-----------------|
| | 31st March 2020 | 31st March 2019 |
| Interest Rate Risk Analysis | | |
| Increase or decrease in interest rate by 25 basis points | 17,08,776 | 36,54,883 |

Note: Profit will increase in case of decrease in interest rate and vice versa

ii) Price risk

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

The company is exposed to price risk due to investments in mutual funds and classified as fair value through profit and loss.

The company measures risk through sensitivity analysis.

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

The company does not expose to price risks as on 31st March 2020 and 31st March 2019.

b) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the company. The Company has adopted a policy of only dealing creditworthy counterparties. The management believes that the credit risk is negligible since its mail receivable is from the grantors of the concession which is Government Authority.

c) Liquidity Risk

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

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

The company measures risk by forecasting cash flows.



CYBERABAD EXPRESSWAYS LIMITED

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

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

The following tables detail the company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the company can be required to pay. The tables include both interest and principal cash flows. To the extent that interest flows are floating rate, the undiscounted amount is derived from interest rate curves at the end of the reporting period. The contractual maturity is based on the earliest date on which the company may be required to pay.

| As at 31st March 2020 | Carrying Amount | upto 1 year | 1 - 2 years | 2 - 5 years | > 5 years |
|---|-----------------|----------------|--------------|-------------|-----------|
| Non Derivative Financial Liability | | | | | |
| Borrowings | 79,09,91,816 | 42,24,57,333 | 36,85,34,483 | - | - |
| Other Financial Liabilities | 1,57,77,33,568 | 1,57,77,33,568 | - | - | - |
| Trade payables | 15,81,615 | 15,81,615 | - | - | - |
| As at 31st March 2019 | | | | | |
| Non Derivative Financial Liability | | | | | |
| Borrowings | 1,26,22,65,532 | 52,22,03,000 | 74,00,62,532 | - | - |
| Other Financial Liabilities | 1,31,54,18,034 | 1,31,54,18,034 | - | - | - |
| Trade payables | 5,39,97,056 | 5,39,97,056 | - | - | - |

The following table details the company's expected maturity for its non-derivative financial assets. The table has been drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on those assets. The inclusion of information on non-derivative financial assets is necessary in order to understand the company's liquidity risk management as the liquidity is managed on a net asset and liability basis.

| As at 31st March 2020 | Carrying Amount | upto 1 year | 1 - 2 years | 2 - 5 years | > 5 years |
|------------------------------|-----------------|--------------|--------------|----------------|-----------|
| Receivable under SCA | 1,53,29,22,853 | 48,42,31,139 | 55,42,98,743 | 49,43,92,971 | - |
| Trade receivables | - | - | - | - | - |
| Cash and cash equivalents | 12,50,35,695 | 12,50,35,695 | - | - | - |
| Others | 4,26,03,680 | 4,26,03,680 | - | - | - |
| As at 31st March 2019 | | | | | |
| Receivable under SCA | 1,95,60,51,415 | 42,31,28,563 | 48,42,31,139 | 1,04,86,91,713 | - |
| Trade receivables | - | - | - | - | - |
| Cash and cash equivalents | 43,57,859 | 43,57,859 | - | - | - |
| Others | 4,25,04,080 | 4,25,04,080 | - | - | - |



CYBERABAD EXPRESSWAYS LIMITED

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

d) Capital management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders. The primary objective of the Company's capital management is to maximize the shareholder value. The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a gearing ratio, which is net debt divided by total capital.

| | As at | |
|--|-----------------|-----------------|
| | 31st March 2020 | 31st March 2019 |
| Debts | | |
| Less: Cash and Bank Balances | 2,34,41,93,035 | 2,52,61,87,554 |
| (A) | 12,50,35,695 | 43,57,859 |
| Equity & Other equity (B) | 2,46,92,28,730 | 2,53,05,45,412 |
| Net Debt / Total Capital (A/B) | (65,53,31,394) | (57,58,74,460) |
| Debts include | (3.77) | (4.39) |
| Debts include Long term borrowing (including its current maturities) and interest accrued thereon. | | |

30 Disclosure pursuant to Appendix - A to Ind AS 11 - " Service Concession Arrangements"

Description and classification of the arrangement

M/s Cyberabad Expressways Limited ("the Company") is a public company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The Company is a Special Purpose Vehicle (SPV) incorporated on 3rd August, 2007 for the execution of the project "To Design, Construction, Development, Operation and Maintenance of eight lane access controlled Expressway under phase IIA programme as an extension of Phase IIA of Outer Ring Road (ORR) to Hyderabad City, in the state of Andhra Pradesh, India, for the package from Kollur to Patancheru from 12.00 Km to 23.70 Km (Project reference No ORR/PH/II-A/BOT/AP02) on Build, Operate and Transfer (BOT) (Annuity) basis". The Company has entered into a concession Agreement with Hyderabad Growth Corridor Limited (HGCL), which has specified 30 months of construction period and 12.5 years of operations and maintenance period. The Company has achieved provisional Completion Certificate with effect from 30th March 2012. The company has applied for Final Completion Certificate.

Significant Terms of the arrangements

Receipt of Annuity:

Annuities shall be received semi-annually subject to the provisions Clause 6.1 of the Concession Agreement dated August 17, 2007.

Concession Fee and Other Fees:

As per Clause 7A.1 of the Concession Agreement, the company is liable to pay Concession Fee Re 1 every year during the Concession Agreement

Obligation of the Company

The company is under obligation to undertake, comply with and perform as per the Chapter-III "Obligations and Undertakings" of the Concession Agreement.

Operation & Maintenance

The company is under obligation to carry out the routine and periodic maintenance of Project Highway as per Clause XVIII of the Concession Agreement.

Details of any assets to be given or taken at the end of concession period

At the end of the Concession period the company shall deliver the actual or constructive possession of the Project Highway, free and clear of all encumbrances.

Details of Termination

CA can be terminated on account of default of the company or HGCL in the circumstances as specified under chapter-VII of the Concession Agreement.



CYBERABAD EXPRESSWAYS LIMITED

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

31 Disclosure pursuant to Ind AS 23 "Borrowing Costs"

| | As at | |
|--|-----------------|-----------------|
| | 31st March 2020 | 31st March 2019 |
| Finance Cost | 25,53,58,957 | 29,43,06,360 |
| Less : Capitalized during the year | - | - |
| Finance Cost charged to Statement of P/L | 25,53,58,957 | 29,43,06,360 |

32 Disclosures as per Ind AS 37 - "Provisions, Contingent Liabilities and Contingent assets "

(a) Nature of provision:

The company is required to operate and maintain the project highway during the entire concession period and hand over the project back to the Authority (NHAI) as per the maintenance standards prescribed in Concession agreement.
For this purpose, a regular maintenance along with periodic maintenances is required to be performed. Normally periodic maintenance includes resurface of pavements, repairs of structures and other equipments and maintenance of service roads.

As per industry practice, the periodic maintenance is expected to occur after 5-7 years. The maintenance cost / bituminous overlay may vary based on the actual usage during maintenance period. Accordingly on the grounds of matching cost concept and based on technical estimates, a provision for major maintenance expenses is reviewed and is provided for in the accounts annually.

(b) Movement in provisions:

| | As at | |
|---|---------------------|---------------------|
| | 31st March 2020 | 31st March 2019 |
| (i) Major Maintenance Provision | | |
| Opening balance | 16,43,47,264 | 30,82,47,744 |
| Additional provision | 14,08,30,513 | 8,20,39,191 |
| Utilised | 10,42,82,493 | 22,59,39,671 |
| Closing balance | 20,08,95,284 | 16,43,47,264 |
| (ii) Operation and Maintenance Provision | | |
| Opening balance | 4,93,04,208 | 4,08,72,705 |
| Additional provision | 2,87,57,719 | 2,73,72,010 |
| Utilised | 2,22,95,039 | 1,89,40,507 |
| Closing balance | 5,57,66,888 | 4,93,04,208 |

(c) Contingent liabilities

| | As at | |
|--|-----------------|-----------------|
| | 31st March 2020 | 31st March 2019 |
| Claims against the company not acknowledged as debt | - | - |
| Guarantees | - | - |
| - Other money for which the company is contingently liable | - | - |



CYBERABAD EXPRESSWAYS LIMITED**Summary of Significant Accounting Policies and Other Explanatory Information**

(All amounts in Rs unless otherwise stated)

- 33 There have been no reported transaction during the year with Micro, Small and Medium Enterprises covered under the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006. Hence, reporting details of principal and interest does not arise.
- 34 **Contingent Liabilities and Commitments (to the extent not provided for) and Contingent Asset**
 Claims against the company/disputed liabilities not acknowledged as debts-Rs Nil (As at 31.03.2019-Rs Nil)
 Estimated amount of Contracts remaining to be executed on Capital Account - Nil (As at 31.03.2019 - Nil)

35 Related Party Disclosures**a) Names of Related Parties**

| Name of the Company |
|---|
| Gayatri Highways Limited (GHL) |
| IL & FS Engineering and Construction Company Ltd. |
| Terra Projects Private Limited. |
| AMP Capital Finance Mauritius Limited |
| Hyderabad Expressways Limited |
| Gayatri Projects Limited |
| Deep Corporation Private Limited |

b) Details of Related Party transactions and year end outstanding as on 31st March 2020.

| Particulars | Amount of Transaction | Debit Balance as on 31st March 2020 | Amount in Rupees |
|--|-----------------------|-------------------------------------|--------------------------------------|
| | | | Credit Balance as on 31st March 2020 |
| Subscription of Equity | - | - | 1,98,00,000 |
| | - | - | (1,98,00,000) |
| 0.001% Optionally Convertible Debentures | - | - | 36,85,34,483 |
| | - | - | (31,77,02,140) |
| Short term Borrowing | 18,70,00,000 | - | 72,71,94,336 |
| | 17,46,90,000 | - | (54,01,94,336) |
| Interest on Short term borrowing | 10,22,79,197 | - | 82,60,06,883 |
| | (10,78,12,288) | - | (72,37,27,686) |
| Emergency Earthwork | - | - | 1,49,75,795 |
| | - | - | (1,49,75,795) |
| Reimbursement of Expenses | - | - | 38,65,620 |
| | - | - | (38,65,620) |
| EPC Work | - | 4,44,23,871 | - |
| | - | (4,44,23,871) | - |
| Special Advance | - | 12,31,57,321 | - |
| | - | (12,31,57,321) | - |
| Change of Scope | - | - | 1,96,87,425 |
| | - | - | (1,96,87,425) |

Note: Figures in bracket represents Previous year figures i.e., 31st March 2019



CYBERABAD EXPRESSWAYS LIMITED**Summary of Significant Accounting Policies and Other Explanatory Information**

(All amounts in Rs unless otherwise stated)

36 Employee Benefit:

The Company has no liability for employee benefits, in accordance with the provisions of Ind AS-19 "Employee Benefits". Hence, no provision has been made in the books of account.

| 37 Payments to auditors | For the year ended 31st March 2020 | For the year ended 31st March 2019 |
|---|---------------------------------------|---------------------------------------|
| Auditors' Remuneration (including service tax) | | |
| a) For audit | 3,54,000 | 3,54,000 |
| b) For taxation matters | 59,000 | 59,000 |
| c) For other services | - | - |
| Total | 4,13,000 | 4,13,000 |

38 Segment

The Company is engaged in the business of setting up of infrastructure facility by way of development of infrastructure projects, operation and maintenance of infrastructural facilities. As such, all activities undertaken by the Company are incidental to the main business. There are no separate reportable business segments as per IND AS 108 on "Operating Segment".

39 Taxation

The company does not have taxable income and hence provision for current tax has not been made. The company is eligible for deduction under section 80IA of Income Tax Act 1956 and the tax holiday period of the company's project falls within the concession period of the company as defined in Section 80IA. Since deferred tax on timing difference between accounting income and taxable income that arise during the year is reversing during such tax holiday period, no deferred tax asset/liability arises and accordingly no provision is made in the accounts.

40 Earnings per share

The earnings and weighted average number of equity shares used in the calculation of basic and diluted earnings per share are as follows.

| Particulars | As at 31st March 2020 | As at 31st March 2019 |
|---|--------------------------|--------------------------|
| (a) Profit after tax attributable to Equity Shareholders | (7,94,56,934) | (1,27,77,996) |
| Weighted average number of Equity Shares (in No.) | 19,80,006 | 19,80,006 |
| Nominal Value of Equity per share (Rs.) | 10 | 10 |
| Basic Earnings per share (Rs.) | (40.13) | (6.45) |
| (b) the weighted average number of equity shares outstanding during the period is increased by the weighted average number of additional equity shares which would have been outstanding assuming the conversion of all dilutive potential equity shares. | 4,47,30,006 | 4,47,30,006 |
| Diluted Earnings per share (Rs.) | (1.78) | (0.29) |

- 41 Balances of amounts payable, advances and related party transactions are subject to confirmation, adjustments, if any, on receipt/ reconciliation of such accounts.
- 42 Based on the review of the future discounted cash flow, the recoverable amount of the project facility is more than its carrying amount. Accordingly, no provision for the impairment is made in the books of accounts.



CYBERABAD EXPRESSWAYS LIMITED**Summary of Significant Accounting Policies and Other Explanatory Information**

(All amounts in Rs unless otherwise stated)

| 43 | Particulars | 2019-20 | 2018-19 |
|----|---------------------------------------|---------|---------|
| | (i) Expenditure in Foreign Currency - | Nil | Nil |
| | (ii) CIF value of Import - | Nil | Nil |
| | (iii) FOB value of Export - | Nil | Nil |
| | (iv) Earnings in Foreign Exchange - | Nil | Nil |

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

45 Events after the reporting period

There were no events occurring after the balance sheet date affecting the aforesaid financial statement.

46 Previous year comparatives

Previous year's figures have been regrouped / reclassified wherever necessary to conform to the current year's classification / disclosure.

47 Figures have been rounded off to the nearest rupee.

48 IMPACT ON COVID-19

In the last month of FY 2020, the COVID-19 pandemic developed rapidly into a global crisis, forcing governments to enforce lock-downs of all economic activity. This does not have any impact on the company's performance for this FY 2019-20 as the company has received the annuity amounts from HGCL/HMDA.

Since the receipt of the Annuities are from the government/ public sector entity i.e., HGCL/HMDA, the risk of non-payment of annuities for the financial year 2020-21 is very low. Further, there may be slight delays in payment of future annuities from HGCL/HMDA due to the ongoing Covid-19 pandemic. The Company is confident that the Covid-19 may not make any impact on the company's revenue and operations.

As per our report of even date attached

For RAO & KUMAR ASSOCIATES

Chartered Accountants

Firm Regn. No. 0030935

K. Sailesh

SAILESH KOTHA

Partner

Membership No. 238106

Place: Hyderabad

Date: 18th June 2020

For and on behalf of the Board

M.V. Narasimha Rao

M.V.NARASIMHA RAO

Director

DIN: 06761474

Place: Hyderabad

Date: 18th June 2020

CH. Harivithal Rao

CH.HARIVITHAL RAO

Director

DIN: 00012970

