

HIMALYAN EXPRESSWAY LIMITED

BALANCE SHEET AS AT 31.03.2020

CIN : U45400HR2007PLC036891

Registered Office

Toll Plaza, Chandi Mandir, NH-5, Panchkula,
Haryana, India-134107

DOOGAR & ASSOCIATES

Chartered Accountants

Independent Auditors' Report

To the Members of
Himalyan Expressway Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Himalyan Expressway Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2020, and the Statement of Profit and Loss (including other comprehensive income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2020, its loss including other comprehensive income, the 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 Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

Material Uncertainty Related to Going Concern

We draw attention to Note 39 to the financial statements which indicate that the Company incurred net loss of INR 65.98 crores during the year ended March 31, 2020, as on date, the Company's current liabilities exceeds its current assets by INR 318.81 crores and the Company also incurred continuous losses in the past couple of years. This condition, indicate the existence of a material uncertainty that may have an adverse impact on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters ('KAM') are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

Key audit matters	How our audit addressed the key audit matter
Impairment Testing for Intangible Assets - Toll Collection Rights	
The company has toll collection rights as intangible assets pursuant to the concession agreement. The carrying value of these rights acquired under BOT basis is being compared to the recoverable value (which is value in use in	Our Audit process included following: a) Obtaining an understanding of the methodology used by the management for impairment assessment including evaluation around the

<p>the instant case) thereof to ascertain if there is any impairment.</p> <p>The process involves estimating the value in use of the asset which is determined by forecasting and discounting future cash flows. The same is sensitive to changes in discount rate, traffic growth rates, toll growth rates etc</p> <p>The determination of the recoverable amount of the toll collection right involves significant judgment due to inherent uncertainty in the assumptions supporting the recoverable amount of these rights.</p> <p>Accordingly, the evaluation of impairment of toll collection rights has been determined a key audit matter.</p>	<p>impairment assessment.</p> <p>b) We evaluated the design and implementation of key controls, and tested the operating effectiveness of the controls over managements' assessment of recoverability of intangible assets.</p> <p>c) Checking the assumptions used for the major components of the cash flow forecasts, discount rates, cost of capital etc.</p> <p>d) Evaluating potential changes in major components as compared to previous year / actual performance in order to evaluate whether the inputs and assumptions used in the cash flow forecasts were suitable. In the earlier year, the Company has obtained the traffic study report from an Independent expert but during the current year no such report has been obtained and traffic estimates have been done by the management.</p> <p>e) Checking the arithmetical accuracy of the mode</p>
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Other Information

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and our auditors' report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, 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 (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account;
 - d. In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 as amended;
 - e. On the basis of the written representations received from the directors as on 31 March 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2020 from being appointed as a director in terms of Section 164(2) of the Act;
 - f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting;
 - g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197 of the act, as amended in our opinion, the managerial remuneration for the year ended March 31, 2020 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
 - h. With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations as at 31 March 2020 on its financial position in its financial statements - Refer Note 28 to the financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For Doogar & Associates
Chartered Accountants
Firm Registration No. 000561N

Vardhman Doogar
Partner
Membership No. 517347
Place: Udaipur
Date: May 18, 2020



Annexure "A" to the Independent Auditor's Report

With reference to the Annexure A referred to in the Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31 March 2020, we report the following:

- i. In respect of the Company's fixed assets: -
 - a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b. The Company has a program of verification to cover all the items of fixed assets in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - c. According to the information and explanations given to us, we report that Company does not own any immovable property whether freehold or lease hold and hence provisions of clause (ii) of paragraph 3 of the Order are not applicable to the company.
- ii. The Company does not have any inventory and hence reporting under clause 3 (ii) of the Order is not applicable to the Company.
- iii. According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clause 3(iii) (a), (b) and(c) of the Order are not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, there are no loans, guarantees, securities granted and investments made in respect of which provisions of section 185 and 186 of the Companies Act, 2013 are applicable. Accordingly, the provisions of clause 3(iv) of the Order are not applicable to the Company.
- v. The Company has not accepted any deposits within the meaning of Section 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable to the Company.
- vi. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013 and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the same.
- vii. According to the information and explanations given to us, in respect of statutory dues:
 - a. Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, value added tax, goods and service tax, cess and other statutory dues have generally been regularly deposited with the appropriate authorities though there has been a delay in a few cases.
 - b. There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-Tax, Service Tax, Sales Tax, Goods and Services Tax, Duty of Custom, Duty of Excise, Value Added Tax, Cess and Other Statutory Dues were outstanding, at the year end, for a period of more than six months from the date they become payable.
 - c. Details of the dues of Income Tax, Duty of Custom, Duty of excise, goods & service tax and Value Added Tax which have not been deposited (along with amount deposited under protest) by the Company on account of any dispute are given below-

Sl. No.	Nature of Statute	Nature of dues	Forum where dispute is pending	Period(s) to which the amount relates (F.Y.)	Amount (Rs. in Lakhs)	
					Gross	Amount deposited under protest
1.	Income Tax Act, 1961	Income Tax	High Court	2008-2009	60,97,048	60,97,048
2.	Income Tax Act, 1961	Income Tax	High Court	2010-2011	74,87,660	74,87,660
3.	Income Tax Act, 1961	Income Tax	High Court	2011-2012	59,29,283	37,40,263

- viii. According to the information and explanations given to us, the Company has not taken loans or borrowings from the Government. The Company has not defaulted in repayment of loans or borrowings to banks and debenture holders during the year except principal repayment and payment of interest which are given below:

Name of Party	Nature of Payment	Amount Due	Due Date	Repayment Date	Delay (in Days)
ICICI Bank	Principal Repayment	3,19,81,773	24.05.2019	28.05.2019	5.00
ICICI Bank	Principal Repayment	50,00,000	24.08.2019	01.11.2019	70.00
ICICI Bank	Principal Repayment	1,12,70,667	24.08.2019	19.11.2019	88.00
ICICI Bank	Principal Repayment	23,111	24.11.2019	28.01.2020	66.00
ICICI Bank	Principal Repayment	1,19,81,773	24.11.2019	20.02.2020	89.00
ICICI Bank	Principal Repayment	1,99,76,888	24.11.2019	Unpaid#	129.00
ICICI Bank	Principal Repayment	3,59,79,494	24.02.2020	Unpaid#	37.00
ICICI Bank	Interest	1,96,62,258	30.04.2019	28.05.2019	29.00
ICICI Bank	Interest	29,333	31.08.2019	19.11.2019	81.00
ICICI Bank	Interest	1,95,44,117	31.08.2019	28.11.2019	90.00
ICICI Bank	Interest	55,883	30.09.2019	28.11.2019	60.00
ICICI Bank	Interest	1,91,25,154	30.09.2019	27.12.2019	89.00
ICICI Bank	Interest	74,846	31.10.2019	27.12.2019	58.00
ICICI Bank	Interest	1,99,76,889	31.10.2019	28.01.2020	90.00
ICICI Bank	Interest	1,95,29,429	30.11.2019	Unpaid#	123.00
ICICI Bank	Interest	2,01,20,578	31.12.2019	Unpaid#	92.00
ICICI Bank	Interest	1,99,79,852	31.01.2020	Unpaid#	61.00
ICICI Bank	Interest	1,85,22,278	29.02.2020	Unpaid#	32.00
ICICI Bank	Interest	1,99,72,240	31.03.2020	Unpaid#	1.00
India Infradebt Limited	Principal Repayment	1,00,00,000	30.09.2019	05.10.2019	6.00
India Infradebt Limited	Principal Repayment	1,13,00,000	31.03.2020	Unpaid#	1.00*
India Infradebt Limited	Interest	40,10,054	31.05.2019	01.06.2019	2.00
India Infradebt Limited	Interest	37,94,501	30.09.2019	05.10.2019	6.00
India Infradebt Limited	Interest	38,39,189	31.10.2019	01.11.2019	2.00
India Infradebt Limited	Interest	37,23,125	31.03.2020	Unpaid#	1.00*

*RBI vide its circular no. rbi-2019-20/186 dated 27th March 2020 has granted permission to financial institutions & NBFCs to grant moratorium for payment of instalment due during March 01, 2020 to May 31, 2020 to borrowers. In view of the above Company has made application to financial institutions/NBFCs to grant moratorium for payment of instalment falling due and financial institutions/NBFCs has considered the application in their records.

#Not Paid till March 31, 2020.

- ix. In our opinion and according to the information and explanations given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3(ix) of the Order is not applicable to the Company.
- x. To the best of our knowledge and according to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- xi. In our opinion and according to the information and explanations given to us, the Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- xii. According to the information and explanations given to us, in our opinion, the Company is not a Nidhi Company as prescribed under Section 406 of the Act. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.
- 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 Act, where applicable, and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable to the Company.
- xv. According to the information and explanations given to us, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.
- xvi. According to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For Doogar & Associates
Chartered Accountants
Firm Registration No. 000561N

Vardhman Doogar
Partner
Membership No. 517347
Place: Udaipur
Date: May 18, 2020



Annexure B to the Independent Auditors' Report on the financial statements of Himalyan Expressway Limited

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

(Referred to in paragraph 1(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

We have audited the internal financial controls with reference to financial statements of Himalyan Expressway Limited ("the Company") as of 31 March 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in 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 the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. 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 with reference to financial statements were established and maintained and whether 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 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 Doogar & Associates
Chartered Accountants
Firm Registration No. 000561N

Vardhman Doogar
Partner
Membership No. 517347
Place: Udaipur
Date: May 18, 2020



HIMALYAN EXPRESSWAY LIMITED
BALANCE SHEET AS AT MARCH 31, 2020
(All amounts in INR, unless otherwise stated)

Particulars	Note No.	As at March 31,	As at March 31,	As at April 1,
		2020	2019	2018
			Restated	Restated
ASSETS				
Non Current Assets				
Property, plant and equipment	2	47,11,185	58,01,125	63,47,221
Intangible assets	3	5,51,10,08,547	5,85,02,20,615	6,17,84,31,724
Financial Assets				
Other financial assets	4	28,99,110	28,85,339	26,70,096
Other non current assets		-	-	-
		5,51,86,18,842	5,85,89,07,079	6,18,74,49,041
Current Assets				
Financial Assets				
Cash and cash equivalents	5	1,71,18,586	4,30,50,515	5,03,85,424
Bank balances other than cash and cash equivalents	6	3,16,563	3,16,563	-
Other financial assets	7	55,624	1,43,103	19,47,066
Current tax assets (net)	8	2,63,73,538	2,62,73,993	2,79,53,693
Other current assets	9	83,84,617	60,08,712	73,92,713
		5,22,48,928	7,57,92,886	8,76,78,896
TOTAL ASSETS		5,57,08,67,770	5,93,46,99,964	6,27,51,27,937
EQUITY AND LIABILITIES				
EQUITY				
Equity share capital	10	1,18,09,00,000	1,18,09,00,000	1,18,09,00,000
Other equity	11	(1,22,50,63,528)	(56,53,11,040)	(19,31,28,106)
		(4,41,63,528)	61,55,88,960	98,77,71,894
LIABILITIES				
Non Current Liabilities				
Financial Liabilities				
Borrowings	12	1,43,54,04,707	3,15,48,89,364	3,22,11,03,286
Other financial liabilities	13	-	-	3,81,04,567
Provisions	14	5,91,788	39,25,829	32,09,847
Other non-current liabilities	15	93,86,46,452	98,47,40,510	1,04,09,08,647
		2,37,46,42,947	4,14,35,55,703	4,30,33,26,347
Current Liabilities				
Financial Liabilities				
Short Term Borrowings	16	2,96,36,59,508	85,72,00,000	84,30,00,000
Trade payables				
Total outstanding dues of micro and small enterprises	17	35,84,704	-	-
Total outstanding dues of creditors other than micro and small enterprises	17	4,88,77,621	3,49,39,358	3,00,09,474
Other financial liabilities	18	22,15,73,398	28,23,10,149	10,85,24,744
Provisions	19	20,35,744	2,85,472	3,28,269
Other current liabilities	20	6,57,376	8,20,321	21,67,209
		3,24,03,88,351	1,17,55,55,300	98,40,29,696
TOTAL EQUITY & LIABILITIES		5,57,08,67,770	5,93,46,99,964	6,27,51,27,937

Significant accounting policies 1
The accompanying notes form an integral part of the Financial Statements

As per our report of even date attached.

For Doogar & Associates
Chartered Accountants
Firm Registration No. 000561/N



Vardhman Doogar
Partner
M.No. 517347

For and on behalf of the Board

Alok Gaur
Director & CEO
DIN-00112520

Kailash Chander Batra
Director
DIN-02506463

Megha Kainth
Company Secretary
M. No. F 7639

Anjali Jain
Director
DIN-01373388

Ashok Soni
CFO
PAN-
ABPPS5079K

Place : Udaipur
Date : May 18, 2020

JA HOUSE, 63 Basant Lok, Vasant Vihar, New Delhi

HIMALYAN EXPRESSWAY LIMITED
STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED MARCH 31, 2020
(All amounts in INR, unless otherwise stated)

Particulars	Note No.	Year ended March 31, 2020	Year ended March 31, 2019 (Restated)
Revenue from operations	21	42,71,12,391	42,96,88,777
Other income	22	5,28,38,949	7,22,99,293
Total Income		47,99,51,340	50,19,88,070
Expenses:			
Employee benefits expense	23	4,99,48,991	5,69,12,205
Finance costs	24	41,27,53,741	39,89,47,010
Depreciation and amortization expense	25	27,49,81,936	33,47,18,873
Impairment of toll collection right	25A	6,53,80,960	-
Other expenses	26	33,59,94,370	8,37,25,515
Total expenses		1,13,90,59,998	87,43,03,603
Profit/(Loss) before exceptional items and tax		(65,91,08,658)	(37,23,15,533)
Exceptional items			
Profit/(Loss) before tax		(65,91,08,658)	(37,23,15,533)
Tax expense:			
(1) Current tax		-	-
(2) Deferred tax		-	-
Profit (Loss) for the year after tax		(65,91,08,658)	(37,23,15,533)
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Remeasurements of the net defined benefit plan		(6,43,830)	1,32,599
Income tax relating to items that will not be reclassified to profit or loss		-	-
Other comprehensive income		(6,43,830)	1,32,599
Total comprehensive income for the year		(65,97,52,488)	(37,21,82,934)
Earnings per equity share (face value of INR 10 each)	27		
(1) Basic		(5.58)	(3.15)
(2) Diluted		(5.58)	(3.15)

Significant accounting policies 1
The accompanying notes form an integral part of the Financial Statements

As per our report of even date attached.

For Doogar & Associates
Chartered Accountants
Firm Registration No. 000561N
New Delhi
Vardhman Doogar
Partner
M.No. 517347



For and on behalf of the Board

Alok Gaur
Alok Gaur
Director & CEO
DIN-00112520

Kailash Chander Batra
Kailash Chander Batra
Director
DIN-02506465

Megha Kainth
Megha Kainth
Company Secretary
M. No. F 7639

Anjali Jain
Anjali Jain
Director
DIN-01373388

Ashok Soni
Ashok Soni
CFO
PAN-ABPPS5079K

Place : Udaipur
Date : May 18, 2020

JA HOUSE, 63 Basant Lok, Vasant Vihar, New Delhi

HIMALYAN EXPRESSWAY LIMITED
STATEMENT OF CHANGES IN EQUITY
 (All amounts in INR, unless otherwise stated)

A. Equity Share Capital

As at April 1, 2018	Movement during the year 2018-19	Balance as at March 31, 2019	Movement during the year 2019-20	Balance as at March 31, 2020
1,18,09,00,000	-	1,18,09,00,000	-	1,18,09,00,000

B. Other Equity

Particulars	Reserve and Surplus	Other Comprehensive Income		Total
		Retained earnings	Re-measurement of the net defined benefit plans	
Restated Balance as at April 1, 2018				
Profit for the year	(19,45,20,577)	13,92,472		(19,31,28,105)
Other Comprehensive Income	(37,23,15,533)	-		(37,23,15,533)
Restated Balance as at March 31, 2019				
Profit for the year	(56,68,36,110)	1,32,599		(56,35,73,511)
Other Comprehensive Income	(65,91,08,658)	15,25,071		(65,91,08,658)
Balance as at March 31, 2020				
	(1,22,59,44,768)	8,81,241		(1,22,50,63,527)

Significant accounting policies

The accompanying notes form an integral part of the Financial Statements

As per our report of even date attached.

For Doogar & Associates

Chartered Accountants

Firm Registration No. 000561IN

New Delhi

Partner

Vardhman Doogar

M.No. 517347

For and on behalf of the Board

Alok Gaur

(Director & CEO)

DIN-00112520

Kailash Chander Batra

(Director)

DIN-02506465

Megha Kanth

(Company Secretary)

M.N.: F-7639

Anjali Jain

(Director)

DIN-01373388

Ashok Soni

(CFO)

PAN-ABPPS5079K

Place : Udaipur

Date : May 18, 2020

JA HOUSE, 63 Basant Lok, Vasant Vihar, New Delhi

HIMALYAN EXPRESSWAY LIMITED
STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2020
 (All amounts in INR, unless otherwise stated)

Particulars	For the Year ended March 31, 2020	For the Year ended March 31, 2019 Restated
A. Cash flow from operating activities		
Net profit before tax and exceptional items	(65,91,08,658)	(37,23,15,533)
Add: Depreciation	27,49,81,936	33,47,18,873
Add: Impairment of toll collection right	6,53,80,960	-
Add: Finance costs	41,27,53,741	39,89,47,010
Less: Interest income	(12,00,815)	(10,76,940)
Less: Grant amortisation	(4,60,94,058)	(5,61,68,137)
Less: Excess provision written back	(13,079)	(29,907)
Less: Insurance claim	(55,30,997)	(1,50,00,000)
Operating profit before working capital changes	4,11,69,030	28,90,75,366
Adjustment for :		
(Increase) / decrease in other current assets	(23,75,905)	17,59,001
(Increase) / decrease in other non-current assets	-	(2,02,305)
Increase / (decrease) in trade and other payables	1,75,36,045	49,59,791
Increase / (decrease) in other current liabilities	88,79,505	4,22,21,158
Increase / (decrease) in non-current liabilities	-	(3,81,04,567)
Increase / (decrease) in provisions	(22,27,599)	8,05,784
Cash generated from operations	6,29,81,076	30,05,14,228
Income tax paid, net of refund	(99,545)	16,79,700
Net cash generated from operating Activities	6,28,81,531	30,21,93,928
B. Cash flow from investing activities		
Interest received	12,74,523	24,92,965
Investment in fixed deposits	-	(3,16,563)
Insurance claim	55,30,997	1,50,00,000
Purchase of fixed assets	(60,888)	(59,61,668)
Net cash generated from investing activities	67,44,632	1,12,14,734
C. Cash flow from financing activities		
Proceeds from borrowings, net	25,42,20,758	3,95,84,033
Interest paid	(34,97,78,850)	(36,03,27,603)
Net cash used in financing Activities	(9,55,58,092)	(32,07,43,570)
Net change in cash and cash equivalents	(2,59,31,929)	(73,34,909)
Cash and cash equivalents at the beginning of the year	4,30,50,515	5,03,85,424
Cash and cash equivalents at the end of the year	1,71,18,586	4,30,50,515

Notes:

The Cash Flow Statement has been prepared under the indirect method as set in the Ind AS-7 "Cash Flow Statement".

Significant accounting policies 1
 The accompanying notes form an integral part of the Financial Statements

As per our report of even date attached.

For Doogar & Associates
 Chartered Accountants

Firm Registration No. 000561N



Vardhman Doogar
 Partner
 M.No. 517347

For and on behalf of the Board


Ajoh Gaur
 Director & CEO
 DIN-00112520


Kailash Chander Batra
 Director
 DIN-02506465


Megha Kainth
 Company Secretary
 M. No. F 7639


Anjali Jain
 Director
 DIN-01373388


Ashok Soni
 CFO
 PAN-ABPPS5079K

Place : Udaipur
 Date : May 18, 2020

JA HOUSE, 63 Basant Lok, Vasant Vihar, New Delhi

HIMALYAN EXPRESSWAY LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

1. Significant accounting policies

1.1 Significant accounting policies

The significant accounting policies applied by the company in the preparation of its financial statements are listed below. Such accounting policies have been applied consistently to all the periods presented in these financial statements, unless otherwise indicated.

I. Basis of preparation:-

The Company has adopted accounting policies that comply with Indian Accounting standards (Ind AS) notified by Ministry of Corporate Affairs vide notification dated February 16, 2015 under section 133 of the Companies Act 2013. Accounting policies have been applied consistently to all periods presented in these financial statements. The financial statements referred hereinafter have been prepared in accordance with the requirements and instructions of Schedule III to the Companies Act 2013, amended from time to time, applicable to companies to whom Ind AS applies.

Current and non-current classification

The Company presents assets and liabilities in the balance sheet based on current/non-current classification. An asset is classified as current when it satisfies any of the following criteria:

- it is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle, it is held primarily for the purpose of being traded;
- it is expected to be realised within 12 months after the reporting date; or
- it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

All other assets are classified as non-current.

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

- it is expected to be settled in the Company's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is due to be settled within 12 months after the reporting date; or the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

II. Use of Estimates:-

The preparation of financial statements require estimates and assumptions to be made that affect the reported amount of asset and liabilities on the date of the financial statements and the reported amount of the revenue and the expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known / materialized.

III. Property, Plant and Equipment (PPE): -

PPE are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any.

The carrying amount of a property, plant and equipment is de-recognised when no future economic benefits are expected from its use or on disposal.

Machine spares that can be used only in connection with an item of PPE and their use is expected for more than one year are capitalized.



HIMALYAN EXPRESSWAY LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

Depreciation on property plant and equipment is provided on straight line method based on estimated useful life of assets as prescribed in schedule II to the Companies Act, 2013.

Depreciation on additions to / deduction from Fixed Assets during the year is charged on Pro-rata basis / up to the month in which the asset is available for use / disposure.

Gains and losses on de-recognition/disposals are determined as the difference between the net disposal proceeds and the carrying amount of those assets. Gains and Losses if any, are recognised in the statement of profit or loss on de-recognition or disposal as the case may be.

IV. Intangible Assets:-

Intangible assets acquired separately are measured on initial recognition at cost less accumulated amortisation and accumulated impairment losses, if any.

The cost of an intangible asset includes purchase cost including any import duties and non-refundable taxes, and any directly attributable costs on making the asset ready for its intended use.

- i. The Cost of Softwares are amortized on a straight line basis over a period of six years.
- ii. Amortization on Intangible Assets (Toll Road) is provided in the manner prescribed in Serial-3(ii) of Schedule II to the Companies Act, 2013.

The amortisation period and method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortisation period is changed accordingly.

V. Capital work in progress:-Capital work-in-progress represents capital expenditure incurred in respect of the project under execution and is carried at cost. Cost includes construction costs, borrowing costs capitalized and other direct expenditure.

VI. Borrowing Cost:-

Borrowing cost included interest and amortization of ancillary cost incurred in connection with the arrangement of borrowings. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective assets. All other borrowing costs are expensed in the period they occur.

VII. Inventories:-

Inventories of store and spares are valued at weighted average cost or net realizable value whichever is lower.

VIII. Impairment of non-financial assets:-

An assets is treated as impaired, when carrying cost of assets exceeds its recoverable amount. An impaired loss is charged to statement of profit and loss in the year in which an assets is identified as impaired. The impaired loss is recognized in prior accounting period is reversed if there is a change in the estimate of the recoverable amount.

IX. Cash and cash equivalents

Cash and cash equivalents includes cash on hand and at bank, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value and are held for the purpose of meeting short-term cash commitments.

For the purpose of the Statement of Cash Flows, cash and cash equivalents consists of cash and short term deposits, as defined above, net of outstanding bank overdraft as they are being considered as integral part of the Company's cash management. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.



X. Retirement and other employee benefits:-

Retirement benefit costs and termination benefits

Payments to defined contribution retirement benefit plans are recognised as an expense when employees have rendered service entitling them to the contributions

For defined benefit retirement benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting year. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected immediately in the Balance sheet with a charge or credit recognised in other comprehensive income in the year in which they occur. Re-measurement recognised in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to Statement of profit and loss. Past service cost is recognised in Statement of profit and loss in the year of a plan amendment or when the Company recognises corresponding restructuring cost whichever is earlier. Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. Defined benefit costs are categorized as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- re-measurement

The Company presents the first two components of defined benefit costs in Statement of profit and loss in the line item 'Employee benefits expenses'. Curtailment gains and losses are accounted for as past service costs.

The retirement benefit obligation recognised in the Balance sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

Short-term and other long-term employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the year the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

XI. Tax Expenses:-

Income Tax is determined in accordance with the provisions of the Income Tax Act, 1961.

Current Tax:- Current Tax are recognized in statement of profit & loss except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current tax is also recognized in other comprehensive income or directly in equity, respectively.

Deferred Tax:- Deferred tax is recognized using the balance sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purpose at reporting date. Deferred income tax assets and liabilities are measured using tax rates expected to apply to taxable income in the years in which those temporary differences when they reversed based on the laws that have been enacted or substantially in acted by the reporting date.



HIMALYAN EXPRESSWAY LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

Deferred tax assets are recognized for the unused tax credit to the extent that it is probable that taxable profits will be available against which the losses will be utilized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits.

XII. Financial Instrument

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 assets

(i) Recognition and initial measurement

A financial asset is initially recognised at fair value and, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. Purchases and sales of financial assets are recognised on the trade date, which is the date on which the Company becomes a party to the contractual provisions of the instrument.

(ii) Classification of financial assets

Financial assets are classified, at initial recognition and subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit and loss. A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated at FVTPL:

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

A financial asset is classified as FVTOCI only if it meets both of the following conditions and is not recognised at FVTPL;

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

All other financial assets are classified as measured at FVTPL.

(iii) Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

(iv) Impairment

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost and other contractual rights to receive cash or other financial asset.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Company estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.



HIMALYAN EXPRESSWAY LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

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

If the Company measured loss allowance for a financial instrument at lifetime expected credit loss model in the previous year, but determines at the end of a reporting year that the credit risk has not increased significantly since initial recognition due to improvement in credit quality as compared to the previous year, the Company again measures the loss allowance based on 12-month expected credit losses.

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

The Company has performed sensitivity analysis on the assumptions used and based on current indicators of future economic conditions, the Company expects to recover the carrying amount of these assets.

b) Financial liabilities and equity instruments

(i) Classification as debt or equity

Debt and equity instruments issued by a company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

(ii) Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

(iii) Financial liabilities

Financial liabilities are classified as either financial liabilities 'at FVTPL' or 'amortised cost'.

Financial liabilities at FVTPL:

Financial liabilities are classified as at FVTPL when the financial liability is either held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- It has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise;
- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Company's



HIMALYAN EXPRESSWAY LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or

- it forms part of a contract containing one or more embedded derivatives, and Ind AS 109 permits the entire combined contract to be designated as at FVTPL in accordance with Ind AS 109.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in Statement of Profit and Loss. The net gain or loss recognised in Statement of Profit and Loss incorporates any interest paid on the financial liability and is included in the Statement of Profit and Loss. For Liabilities designated as FVTPL, fair value gains/losses attributable to changes in own credit risk are recognised in OCI.

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the Statement of Profit and Loss.

Financial liabilities at Amortised Cost:

Borrowings:-

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are derecognised from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other gains/(losses).

Borrowings are classified as current liabilities unless the company has unconditional right to defer settlement of the liability for atleast twelve months after reporting period.

Trade and other payables

A payable is classified as 'trade payable' if it is in respect of the amount due on account of goods purchased or services received in the normal course of business. These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

De-recognition of financial liability

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income or finance costs.

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.



HIMALYAN EXPRESSWAY LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

XIII. Fair Value Measurement:-

The Company measures financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability or
- In the absence of a principal market, in the most advantageous market for the asset or liability

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Entity uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1: Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For the purpose of fair value disclosures, the Company has determined classes of assets & liabilities on the basis of the nature, characteristics and the risks of the asset or liability and the level of the fair value hierarchy as explained above.

XIV. Earnings Per Share:-

Basic earnings per share is computed using the net profit for the year attributable to the shareholders' and weighted average number of shares outstanding during the year. Diluted earnings per share is computed using the net profit for the year attributable to the shareholder' and weighted average number of equity and potential equity shares outstanding during the year including share options, convertible preference shares and debentures, except where the result would be anti-dilutive. Potential equity shares that are converted during the year are included in the calculation of diluted earnings per share, from the beginning of the year or date of issuance of such potential equity shares, to the date of conversion.

XV. Provisions and contingencies:-

a) Provisions:-

Provisions are recognised when the Company has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not recognised for future operating losses. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.



HIMALYAN EXPRESSWAY LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

b) Contingencies:-

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Information on contingent liability is disclosed in the Notes to the Financial Statements. Contingent assets are not recognised. However, when the realisation of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognised as an asset.

XVI. Revenue Recognition:-

Revenue is measured at the fair value of the consideration received or receivable, taking into account the contractually defined terms of payment net of returns and allowances, trade discounts and volume rebates, excluding taxes or duties collected on behalf of the government.

Revenue is recognized from toll road based on Toll Fee Collected.

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable. Interest received on income tax refund is accounted for on actual receipts basis.

XVII. Insurance Claims:-

Insurance Claims are accounted for based on receipt of claims and are accounted under "Other Income".

XVIII. Government grant:-

Government grants relating to the purchase of property, plant & equipment and intangible assets are included in current or non-current liabilities as deferred income and are credited to statement to profit or loss in the proportion of the amortized cost of related assets and presented within other income.

XIX. Critical accounting estimates, assumptions and judgements:-

In the process of applying the Company's accounting policies, management has made the following estimates, assumptions and judgements, which have significant effect on the amounts recognised in the financial statement:

a) Property, plant and equipment

The Company assess the remaining useful lives and residual value of property, plant and equipment. Management believes that the assigned useful lives and residual value are reasonable, the estimates and assumptions made to determine depreciation are critical to the Company's financial position and performance.

b) Income taxes

Management judgment is required for the calculation of provision for income taxes and deferred tax assets and liabilities. The factors used in estimates may differ from actual outcome which could lead to significant adjustment to the amounts reported in the standalone financial statements.

c) Contingencies

Management judgement is required for estimating the possible outflow of resources, if any, in respect of contingencies/claim/litigations against the Company as it is not possible to predict the outcome of pending matters with accuracy.



HIMALYAN EXPRESSWAY LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2020
 (All amounts in INR, unless otherwise stated)

Note No. 2
Property, plant and equipment

Particulars	Plant & machinery	Motor vehicles	Office equipments	Furniture & fixtures	Computers	Total
Gross carrying amount						
As at April 1, 2018	57,92,953	66,05,120	52,65,279	33,31,112	6,63,464	2,16,57,928
Additions	3,50,000	-	10,620	-	1,24,254	4,84,874
Disposals	-	-	-	-	-	-
As at March 31, 2019	61,42,953	66,05,120	52,75,899	33,31,112	7,87,718	2,21,42,802
Additions	60,888	-	-	-	-	60,888
Disposals	-	-	-	-	-	-
As at March 31, 2020	62,03,841	66,05,120	52,75,899	33,31,112	7,87,718	2,22,03,690
Accumulated depreciation						
As at April 1, 2018	23,66,250	55,06,915	50,02,014	18,05,237	6,30,292	1,53,10,707
Depreciation for the year	4,10,390	2,42,787	1,542	3,33,696	42,555	10,30,970
Disposals	-	-	-	-	-	-
As at March 31, 2019	27,76,640	57,49,702	50,03,556	21,38,933	6,72,847	1,63,41,677
Depreciation for the year	4,21,547	3,57,417	2,017	3,30,500	39,347	11,50,828
Disposals	-	-	-	-	-	-
As at March 31, 2020	31,98,187	61,07,119	50,05,573	24,69,432	7,12,194	1,74,92,505
Net carrying amount						
As at April 1, 2018	34,26,703	10,98,205	2,63,265	15,25,875	33,172	63,47,221
As at March 31, 2019	33,66,313	8,55,418	2,72,343	11,92,179	1,14,872	58,01,125
As at March 31, 2020	30,05,654	4,98,001	2,70,326	8,61,680	75,524	47,11,185



HIMALYAN EXPRESSWAY LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE PERIOD ENDED MARCH 31, 2020
(All amounts in INR, unless otherwise stated)

Note No. 3

Intangible assets

Particulars	Zirakpur parwanoo expressway (Toll road)	Software	Total
Gross carrying amount			
As at April 1, 2018	6,92,13,13,594	2,53,54,824	6,94,66,68,418
Additions	54,76,794	-	54,76,794
Disposals	-	-	-
As at March 31, 2019	6,92,67,90,388	2,53,54,824	6,95,21,45,212
Additions	-	-	-
Disposals	-	-	-
As at March 31, 2020	6,92,67,90,388	2,53,54,824	6,95,21,45,212
Accumulated amortization and impairment			
As at April 1, 2018	74,28,81,870	2,53,54,824	76,82,36,694
Amortisation for the year	33,36,87,903	-	33,36,87,903
Disposals	-	-	-
As at March 31, 2019	1,07,65,69,773	2,53,54,824	1,10,19,24,597
Amortisation for the year	27,38,31,108	-	27,38,31,108
Impairment of Toll collection right	6,53,80,960	-	6,53,80,960
Disposals	-	-	-
As at March 31, 2020	1,41,57,81,841	2,53,54,824	1,44,11,36,665
Net carrying amount			
As at April 1, 2018	6,17,84,31,724	-	6,17,84,31,724
As at March 31, 2019	5,85,02,20,615	-	5,85,02,20,615
As at March 31, 2020	5,51,10,08,547	-	5,51,10,08,547



HIMALYAN EXPRESSWAY LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020
(All amounts in INR, unless otherwise stated)

Particulars	As at March 31, 2020	As at March 31, 2019 Restated	As at April 1, 2018 Restated
Note no. 4			
Other non current financial assets			
Unsecured, considered good - Measured at amortised cost			
Security deposits with govt. authorities	26,70,096	26,70,096	26,70,096
Security deposits with others	-	-	-
Fixed Deposits with banks more than twelve months maturity*	2,29,014	2,15,243	-
	<u>28,99,110</u>	<u>28,85,339</u>	<u>26,70,096</u>
* Pledged with government authorities			
Note no. 5			
Cash and cash equivalents			
Cash on hand	33,16,212	55,71,409	41,30,143
Balances with banks			
- In current account	1,36,50,074	3,62,88,630	46,68,200
- In deposit accounts with maturity upto three months	-	11,56,606	4,15,20,940
Cheques on hand	1,52,300	33,870	66,141
	<u>1,71,18,586</u>	<u>4,30,50,515</u>	<u>5,03,85,424</u>
Note no. 6			
Bank balances other than cash and cash equivalents			
Other bank balances			
Earmarked balances with banks*	3,16,563	3,16,563	-
	<u>3,16,563</u>	<u>3,16,563</u>	<u>-</u>
* Pledged with government authorities			
Note no. 7			
Other current financial assets			
Unsecured, considered good - Measured at amortised cost			
Interest accrued on deposit with banks	55,624	1,43,103	15,72,066
Security deposit	-	-	3,75,000
	<u>55,624</u>	<u>1,43,103</u>	<u>19,47,066</u>
Note no. 8			
Current tax assets (net)			
Taxes paid	4,08,37,938	4,07,38,393	4,24,18,093
Less: Provision for income tax	1,44,64,400	1,44,64,400	1,44,64,400
	<u>2,63,73,538</u>	<u>2,62,73,993</u>	<u>2,79,53,693</u>
Note no. 9			
Other current assets			
Unsecured, considered good			
Prepaid expenses	79,30,054	60,08,712	35,79,780
Advances to suppliers and others	4,54,563	-	38,12,933
	<u>83,84,617</u>	<u>60,08,712</u>	<u>73,92,713</u>



HIMALYAN EXPRESSWAY LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020
 (All amounts in INR, unless otherwise stated)

Note no. 10

Equity share capital

Particulars	As at March 31, 2020		As at March 31, 2019		As at April 1, 2018	
	Number	Amount (INR)	Number	Amount (INR)	Number	Amount (INR)
Authorised share capital:						
Equity shares of INR 10 each	12,50,00,000	1,25,00,00,000	12,50,00,000	1,25,00,00,000	12,50,00,000	1,25,00,00,000
11% Redeemable Cumulative Preference Shares of INR100/- each	25,00,000	25,00,00,000	25,00,000	25,00,00,000	25,00,000	25,00,00,000
Issued, subscribed & fully paid up share capital:						
Equity shares of INR 10 each	11,80,90,000	1,18,09,00,000	11,80,90,000	1,18,09,00,000	11,80,90,000	1,18,09,00,000

(i) Terms/rights attached to equity shares:

The Company has only one class of equity shares having a par value of INR 10 per share and holder of the equity share is entitled to one vote per share and entitled for pro-rata dividend, if any declared/paid by the company, subject to approval of shareholders.

(ii) Terms/rights attached to preference shares:

The rate of dividend on preference shares will be decided by the Board of Directors as and when issued. Preferential shares as and when issued shall have the cumulative right to receive dividend as and when declared and shall have preferential right of repayment on amount of capital.

(iii) Reconciliation of the equity shares outstanding at the beginning and at the end of the year

Particulars	As at March 31, 2020		As at March 31, 2019		As at April 1, 2018	
	Number	Amount (INR)	Number	Amount (INR)	Number	Amount (INR)
Shares outstanding at the beginning of the year	11,80,90,000	1,18,09,00,000	11,80,90,000	1,18,09,00,000	11,80,90,000	1,18,09,00,000
Shares issued during the year	-	-	-	-	-	-
Shares outstanding at the end of the year	11,80,90,000	1,18,09,00,000	11,80,90,000	1,18,09,00,000	11,80,90,000	1,18,09,00,000

(iv) Details of the shares held by each shareholder holding more than 5% shares:

Name of Shareholder	As at March 31, 2020		As at March 31, 2019		As at April 1, 2018	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Jaiprakash Associates Limited and its nominees	11,80,90,000	100	11,80,90,000	100	11,80,90,000	100

(v) Shares held by the holding company:

Particulars	Nature of Relationship	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Equity Shares	Holding Company	11,80,90,000	11,80,90,000	11,80,90,000
Jaiprakash Associates Limited and its nominees				



HIMALYAN EXPRESSWAY LIMITED**NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020**

(All amounts in INR, unless otherwise stated)

Note 11. Other Equity

Particulars	Reserve and Surplus	Other Comprehensive Income	Total
	Retained earnings	Re-measurement of the net defined benefit plans	
Restated Balance as at April 1, 2018	(19,45,20,578)	13,92,472	(19,31,28,106)
Profit for the year	(37,23,15,533)	-	(37,23,15,533)
Other Comprehensive Income	-	1,32,599	1,32,599
Restated Balance as at March 31, 2019	(56,68,36,111)	15,25,071	(56,53,11,040)
Profit for the year	(65,91,08,658)	-	(65,91,08,658)
Other Comprehensive Income	-	(6,43,830)	(6,43,830)
Balance as at March 31, 2020	(1,22,59,44,769)	8,81,241	(1,22,50,63,528)

(i) Retained earnings

Retained earnings comprise of the profits/(losses) of the company earned till date net of distributions and other adjustments.

(ii) Other comprehensive income

Re-measurement of net defined benefit obligation through other comprehensive income represents the actuarial gains and losses arising on actuarial valuation of defined benefit obligation.



HIMALYAN EXPRESSWAY LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020
(All amounts in INR, unless otherwise stated)

Particulars	As at March 31, 2020	As at March 31, 2019 Restated	As at April 1, 2018 Restated
Note no. 12			
Non current borrowings			
Secured - at amortised cost			
Redeemable non convertible debentures	33,14,85,209	37,73,24,885	41,86,16,121
Term loan from bank	-	1,78,95,42,974	1,91,81,69,811
	<u>33,14,85,209</u>	<u>2,16,68,67,858</u>	<u>2,33,67,85,932</u>
Unsecured - at amortised cost			
Inter-corporate loans			
From holding company	80,64,99,240	72,00,75,329	64,29,24,401
Other loans			
Preference shares	29,74,20,258	26,79,46,177	24,13,92,953
	<u>1,10,39,19,498</u>	<u>98,80,21,506</u>	<u>88,43,17,354</u>
	<u>1,43,54,04,707</u>	<u>3,15,48,89,364</u>	<u>3,22,11,03,286</u>

Security and terms of the borrowings are given below :

These are stated at unamortised cost (amount outstanding including current maturities)

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
Redeemable secured non convertible debentures of INR 1,00,000 each	39,14,00,000	42,14,00,000	45,78,00,000
Term loan from ICICI Bank	1,85,91,38,087	1,95,23,35,796	1,99,75,62,656
	<u>2,25,05,38,087</u>	<u>2,37,37,35,796</u>	<u>2,45,53,62,656</u>

Non convertible debentures

The Redeemable Secured Non Convertible Debentures (NCDs) of INR 39.14 Crores as mentioned above rank pari passu with indebtedness of the Company under the Facility Agreement with ICICI Bank. These are redeemable in 25 quarterly installments from March, 2020 till February, 2026.

Term loan from ICICI Bank

The Term Loan from ICICI Bank is secured by first charge on all immovable assets except project assets, all tangible movable assets, all intangible assets, all accounts of the Company (escrow accounts/ sub accounts), the receivables, and all authorised investment, present and future and pledge of 30% shares of the Company held by Jaiprakash Associates Ltd. (Holding Company). It is repayable in 27 quarterly installments from Nov, 2019 till March, 2026. However, due to default in Repayment the full amount of loan is considered as short term borrowing.

Loan from holding company

Jaiprakash Associates Limited (holding company) has provided interest free unsecured loan of INR 178 Crores in compliance with loan agreement with ICICI Bank Limited dated 30th March, 2011 and the loan has been account for in accordance with the requirements of IND-AS. The loan is repayable after the repayment of term loan of ICICI Bank & redemption of NCDs.

Redeemable preference shares

The Company has issued 11% Redeemable Cumulative Preference Shares of INR 100 each fully paid up for a period of 10 years extendable up to 20 years, redeemable at any time at the option of the Company and among other conditions inter alia that the preference share holders shall have priority over equity share holders in the payment of dividend and repayment of capital in case of liquidation of the Company.

Note no. 13

Other non current financial liabilities

Financial liabilities at amortized cost

Security deposit	-	-	3,81,04,567
	<u>-</u>	<u>-</u>	<u>3,81,04,567</u>

Note no. 14

Non current provisions

Provision for employee benefits:

Provision for gratuity	3,90,611	14,29,515	10,66,037
Leave encashment	2,01,177	24,96,314	21,43,810
	<u>5,91,788</u>	<u>39,25,829</u>	<u>32,09,847</u>

Note no. 15

Other non current liabilities

Deferred income for capital subsidy (Government grant) ¹	93,86,46,452	98,47,40,510	1,04,09,08,647
	<u>93,86,46,452</u>	<u>98,47,40,510</u>	<u>1,04,09,08,647</u>

¹In accordance with the terms of Concession Agreement with National Highway Authority of India (NHAI) dated 31st August, 2007, NHAI had given the capital grant of INR 117 Crores to the Company.



HIMALYAN EXPRESSWAY LIMITED
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(All amounts in INR, unless otherwise stated)

Particulars	As at March 31, 2020	As at March 31, 2019 Restated	As at April 1, 2018 Restated
Note no. 16			
Current borrowings			
Secured - at amortised cost			
Term loan from bank ^{1 & 2}	1,85,91,38,087	-	-
Unsecured - at amortised cost			
Loan from holding company	1,10,45,21,421	85,72,00,000	84,30,00,000
	2,96,36,59,508	85,72,00,000	84,30,00,000

¹ Refer note 12

² Includes default of repayment of term loan amounting to INR 5,59,56,382 (Period of default 36-128 days). And due to default the loan has been classified as current borrowings in accordance with the terms of the agreement.

Note no. 17

Trade payables

Total outstanding dues of micro and small enterprises	35,84,704	-	-
Total outstanding dues of creditors other than micro and small enterprises	4,88,77,621	3,49,39,358	3,00,09,474
	5,24,62,325	3,49,39,358	3,00,09,474

Dues to Micro, Small and Medium Enterprises

The Company has certain dues to micro and small enterprises covered under The Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosures pursuant to the said MSMED Act are as follows:

Particulars	As at March 31, 2020	As at March 31, 2019	As at April 1, 2018
The principal amount remaining unpaid to any supplier at the end of the year	28,62,102	-	-
Interest due remaining unpaid to any supplier at the end of the year	7,22,602	-	-
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year	-	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	-	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprises, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act, 2006	-	-	-

Disclosure of payable to vendors as defined under the "Micro, Small and Medium Enterprise Development Act, 2006" is based on the information available with the Company regarding the status of registration of such vendors under the said Act, as per the intimation received from them on requests made by the Company.

Note no. 18

Other current financial liabilities

Financial liabilities at amortised cost

Current maturities of non-current debt			
Redeemable non convertible debentures ⁴	5,77,00,000	4,13,00,000	3,64,00,000
Term loan from bank	-	14,91,54,092	6,24,56,140
Interest accrued and due on borrowings ^{3 & 4}	10,16,61,346	3,87,63,219	-
Interest accrued but not due on borrowings	7,29,326	6,52,562	7,96,374
Due to staff	6,32,805	16,51,951	5,97,733
Other payables	22,16,457	47,65,544	37,36,741
Security deposit (including INR 4,02,41,591 of holding company)	5,86,33,464	4,60,22,781	45,37,756
	22,15,73,398	28,23,10,149	10,85,24,744

³ Includes default of interest of INR 9,81,24,377 (Period of default 1-122 days).

⁴ Due to COVID-19, RBI circular dated March 27, 2020 permitted the lending institution to grant 90 days moratorium for three month on payment of all installment falling due between March 1, 2020 to May 31, 2020. Therefore, the management get the moratorium for the following amounts:

Particular	Amount(INR)
Redeemable non convertible debentures	1,13,00,000
Interest accrued and due on borrowings	35,36,969



HIMALYAN EXPRESSWAY LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020
(All amounts in INR, unless otherwise stated)

Particulars	As at March 31, 2020	As at March 31, 2019 Restated	As at April 1, 2018 Restated
Note no. 19			
Current provisions			
Provision for employee benefit			
Bonus	1,38,049	1,60,199	1,90,510
Gratuity ¹	18,87,644	28,691	56,650
Leave encashment	10,051	96,582	81,109
	20,35,744	2,85,472	3,28,269

¹Including INR 18,68,709 due to gratuity trust

Note no. 20

Other current liabilities

Statutory liabilities²

6,57,376	8,20,321	21,67,209
6,57,376	8,20,321	21,67,209

²Statutory liabilities includes contribution to provident fund and employee state insurance corporation, tax deducted/collected at source, goods and service tax etc.



HIMALYAN EXPRESSWAY LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020
(All amounts in INR, unless otherwise stated)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019 (Restated)
Note no. 21		
Revenue from operations		
Sale of services		
Income from toll collection	41,44,62,036	40,14,13,592
Income from passes	1,26,50,355	2,82,75,185
	42,71,12,391	42,96,88,777
Note no. 22		
Other income		
Interest income from financial assets carried at amortised cost		
Bank deposits	11,99,207	6,22,507
Others	1,608	4,54,433
Other gain		
Amortisation of capital subsidy (Government grant)	4,60,94,058	5,61,68,137
Claims received (net of expenses)	55,30,997	1,50,00,000
Provisions no longer required written back	13,079	29,907
Scrap sales	-	24,136
Others	-	173
	5,28,38,949	7,22,99,293
Note no. 23		
Employee benefits expenses		
Salaries and wages	4,78,77,509	5,47,28,625
Contribution to provident and other funds	9,78,766	14,13,942
Staff welfare expenses	10,92,716	7,69,638
	4,99,48,991	5,69,12,205
Note no. 24		
Finance costs		
Interest measured at amortised cost		
Interest on term loan	24,92,31,478	24,18,71,773
Interest on non convertible debentures	4,62,41,851	4,95,02,966
Other financial instruments	11,58,97,991	10,58,41,785
Bank and other finance charges	13,82,421	17,30,486
	41,27,53,741	39,89,47,010
Note no. 25		
Depreciation and amortization expense		
Depreciation of property, plant and equipment	11,50,828	10,30,970
Amortization of intangible assets	27,38,31,108	33,36,87,903
	27,49,81,936	33,47,18,873
Note no. 25 A		
Impairment of toll collection rights	6,53,80,960	-
	6,53,80,960	-



HIMALYAN EXPRESSWAY LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020
(All amounts in INR, unless otherwise stated)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019 (Restated)
Note no. 26		
Other expenses		
Road maintenance expenses including major maintenance	29,07,11,473	4,05,91,167
Electricity, power & fuel	1,03,08,580	1,14,49,808
Security service	75,31,859	65,58,962
Insurance	64,62,268	41,06,209
Consultancy & advisory charges	58,20,434	81,13,822
Vehicles running & maintenance	41,71,818	27,93,941
Repair & maintenance of machinery	58,53,590	43,84,414
Office building and camp maintenance	10,49,368	7,14,117
CMS charges	11,02,276	13,12,985
Rent	-	15,38,710
Advertisement & marketing	49,886	47,880
Travelling & conveyance	3,36,406	2,16,504
Postage & telephone	2,22,262	4,04,561
Rates & taxes	2,44,044	1,96,097
Printing & stationery	3,47,302	1,24,502
Directors' fees	4,00,000	2,19,000
Miscellaneous expenses	6,44,124	3,61,886
Auditors remuneration		
- Audit fees	6,49,000	4,72,000
- Tax audit fees	88,500	90,750
- Certification fees & reimbursement of expenses	1,180	28,200
	33,59,94,370	8,37,25,515



HIMALYAN EXPRESSWAY LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020
(All amounts in INR, unless otherwise stated)

Note no. 27

Earnings per share

The calculation of Earning Per Share (EPS) as disclosed in the statement of profit and loss has been made in accordance with Indian Accounting Standard (Ind AS)-33 on "Earning Per Share" given as under: -

Particulars	Year ended March 31, 2020	Year ended March 31, 2019 (Restated)
A. Profit/(Loss) attributable to equity shareholders	(65,91,08,658)	(37,23,15,533)
B. Weighted average number of outstanding equity shares	11,80,90,000	11,80,90,000
C. Nominal value per equity share	10	10
D. Basic EPS (A/B)	(5.58)	(3.15)
E. Diluted EPS (A/B)	(5.58)	(3.15)

Note no. 28

Contingent liabilities and commitments

A. Contingent liabilities

Particulars	As at March 31, 2020	As at March 31, 2019 Restated	As at April 1, 2018 Restated
i. Outstanding amount of bank guarantees	3,00,000	21,03,00,000	24,18,00,000
ii. Damages imposed by NHAI on account of delay in periodic maintenance	28,50,00,272	25,43,32,822	-
iii. Contingent liability in respect of income tax matters lying before the competent Appellate Authorities as detailed below:			

Sr. No.	Assessment year	Tax demand (A)	Tax penalty (B)	Tax deposited under protest (C)	Balance as at March 31, 2020 (D=A+B-C)	Balance as at March 31, 2019 Restated	Balance as at April 1, 2018 Restated
1	2009-10	60,97,048	-	60,97,048	-	55,84,470	55,84,470
2	2010-11	-	-	-	-	54,61,363	54,61,363
3	2011-12	74,87,660	-	74,87,660	-	76,22,925	76,22,925
4	2012-13	43,78,040	15,51,243	37,40,263	21,89,020	21,89,020	35,75,499
5	2013-14	-	-	-	-	8,38,89,672	8,38,89,672
	Total	1,79,62,748	15,51,243	1,73,24,971	21,89,020	10,47,47,450	10,61,33,929

For AY 2009-10, AY 2011-12 & AY 2012-13, the company has preferred appeal against the demand raised by the Income Tax Department which are pending with the Hon'ble High Court of Judicature at Chandigarh. The Company is hopeful of suitable relief in this regard.

Further, during FY 2019-20, the penalty demanded on the issue of taxability of interest on FDRs for AY 2009-10, AY 2010-11 & AY 2011-12 aggregating ₹ 196.67 lacs has been deleted by the Hon'ble High Court of Judicature at Chandigarh.

The case for penalty demand of Rs 838.90 lacs for AY 2013-14 on the issue of taxability of reimbursement of expenditure from NHAI, the Hon'ble High Court of Judicature at Chandigarh has affirmed the order of Hon'ble ITAT, Chandigarh which was in company's favour and accordingly the same has been reduced to NIL during the year. We understand that the department has not preferred an appeal before the higher appellate authority against the same.

The quantum demand for AY 2009-10 stands at Rs 60.97 lacs against the previous year outstanding of Rs 55.84 since the penalty demand has been reduced to NIL as above. The quantum demand for AY 2011-12 stands at Rs 74.87 lacs against the previous year outstanding of Rs 76.22 since the penalty demand has been reduced to NIL as above.

iv. The Company has issued 11% Redeemable Cumulative preference share of Rs.100 each fully paid aggregating to INR 25 Crore. The Company is under obligation to pay dividend. However, the Company has not paid any dividend due to losses and accounted the same as per Ind AS.



HIMALYAN EXPRESSWAY LIMITED
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(All amounts in INR, unless otherwise stated)

B. Commitments

Particulars	As at March 31, 2020	As at March 31, 2019 Restated	As at April 1, 2018 Restated
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	-	-	-

Note no. 29

Himalyan Expressway Limited is a wholly owned subsidiary of Jaiprakash Associates Limited, incorporated on May 25, 2007 to execute the road project "Zirakpur to Parwanoo including Pinjore – Kalka – Parwanoo Bypass is a section of NH-22" starting at Km 39.860 and terminating at Km 67.000 of NH-5 (old NH-22).

The "Zirakpur - Parwanoo Road Project" has achieved COD and commenced operations on April 6, 2012. The Company has considered Concession Period upto March 31, 2029 including an increase of 23 days period as recommended by Independent Engineer appointed by NHAI. No impact is considered on account of suspension of the collection of user fees in view of Covid-19 from March 26, 2020 to Mid Night of April 19,2020 by NHAI.

Note no. 30

Employee benefits obligations

I. Defined contribution plans

The Company has recognised following expenses in respect of the defined contribution plans:

Particulars	Year ended March 31, 2020	Year ended March 31, 2019 (Restated)
Company's contribution to provident fund	8,89,739	12,98,084
Company's contribution to ESI	89,027	1,15,858
Total	9,78,766	14,13,942

II. Defined benefit plans

Jaiprakash Associates Limited (JAL) (the holding company) has constituted a separate gratuity fund trust under the name Jaiprakash Associates Employees Gratuity Fund Trust vide Trust Deed dated 30th March, 2009 for employees of JAL and its subsidiaries and appointed SBI Life Insurance Co. Ltd. for the management of the trust funds for employees benefit. As a subsidiary of JAL, the Company is participating in the trust fund by contributing its liability accrued up to the close of each financial year to the trust fund.

Below tables sets forth the changes in the projected benefit obligation and plan assets and amounts recognised in the Balance Sheet as at March 31, 2020 and March 31, 2019, being the respective measurement dates:

(i) Movement in defined benefit obligations

Particulars	Gratuity (funded)	Leave Encashment (unfunded)
Restated Present value of obligation as at April 1, 2018	13,50,676	22,24,919
Current service cost	3,83,692	6,34,375
Past Service Cost	-	-
Interest cost	1,01,571	1,67,314
Benefits paid	(61,615)	(1,05,148)
Remeasurements - actuarial loss/ (gain)	(1,35,995)	(3,28,564)
Restated Present value of obligation as at March 31, 2019	16,38,329	25,92,896
Current service cost	65,395	39,668
Past Service Cost	-	-
Interest cost	1,24,513	1,97,060
Benefits paid	(19,88,880)	(26,97,100)
Remeasurements - actuarial loss/ (gain)	5,70,189	78,704
Present value of obligation as at March 31, 2020	4,09,546	2,11,228



HIMALYAN EXPRESSWAY LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020
(All amounts in INR, unless otherwise stated)

(ii) Movement in plan assets – gratuity (funded)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019 Restated
Fair value of plan assets at beginning of year	1,80,123	2,27,989
Expected return on plan assets	13,689	17,145
Employer contributions	-	-
Benefits paid	(19,88,880)	(61,615)
Actuarial gain / (loss)	(73,641)	(3,396)
Fair value of plan assets at end of year	(18,68,709)	1,80,123

(iii) Recognised in statement of Balance Sheet

A. Gratuity (funded)

Particulars	As at March 31, 2020	As at March 31, 2019 Restated	As at April 1, 2018 Restated
Present value of obligation	4,09,546	16,38,329	13,50,676
Fair value of plan assets	18,68,709	(1,80,123)	(2,27,989)
Provision (net)	22,78,255	14,58,206	11,22,687

B. Leave encashment (unfunded)

Particulars	As at March 31, 2020	As at March 31, 2019 Restated	As at April 1, 2018 Restated
Present value of obligation	2,11,228	25,92,896	22,24,919
Fair value of plan assets	-	-	-
Provision (net)	2,11,228	25,92,896	22,24,919

(iv) Recognised in statement of profit and loss

Particulars	Gratuity (funded)	Leave Encashment (unfunded)
Current Service cost	3,83,692	6,34,375
Past Service Cost	-	-
Interest cost	84,426	1,67,314
Net actuarial (gain) / loss recognized	-	(3,28,564)
For the year ended March 31, 2019	4,68,118	4,73,125
Current Service cost	65,395	39,668
Past Service Cost	-	-
Interest cost	1,10,824	1,97,060
Net actuarial (gain) / loss recognized	-	78,704
For the year ended March 31, 2020	1,76,219	3,15,432



HIMALYAN EXPRESSWAY LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020
(All amounts in INR, unless otherwise stated)

(v) Expenses recognised in Other Comprehensive Income

Particulars	Year ended March 31, 2020	Year ended March 31, 2019 Restated
Remeasurement - actuarial gain / (loss) on gratuity	(6,43,830)	1,32,599

(vi) The principal actuarial assumptions used for estimating the Company's defined benefit obligations are

Particulars	As at March 31, 2020	As at March 31, 2019
Discount rate	6.80%	7.60%
Expected rate of increase in salary	4.00%	5.50%
Mortality rate	100% of IALM (2012 - 14)	100% of IALM (2006 - 08)
Retirement Age	60	60
Attrition rate		
Upto to 30 years	2.00%	2.00%
From 31 to 44 years	5.00%	5.00%
Above 44 years	3.00%	3.00%

(vii) Sensitivity analysis

Particulars	Change in assumption	Effect on Gratuity obligation	Effect on Leave Encashment obligation
Discount rate	+0.50%	(15,526)	(9,461)
	-0.50%	16,613	9,902
Salary Growth rate	+0.50%	16,991	10,235
	-0.50%	(16,002)	(9,615)

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (projected unit credit method) has been applied as when calculating the defined benefit obligation recognised within the Balance Sheet. The method and types of assumption used in preparing the sensitivity analysis did not change as compared to the previous year.

(viii) Estimate of expected benefit payments (In absolute terms i.e. undiscounted)

Particulars	Gratuity (funded)	Leave Encashment (unfunded)
01 Apr 2020 to 31 Mar 2021	18,935	10,051
01 Apr 2021 to 31 Mar 2022	94,264	40,514
01 Apr 2022 to 31 Mar 2023	11,819	6,346
01 Apr 2023 to 31 Mar 2024	11,439	6,146
01 Apr 2024 to 31 Mar 2025	11,303	5,954
01 Apr 2025 to 31 Mar 2026	37,307	6,077
01 Apr 2026 Onwards	2,24,479	1,36,140



HIMALYAN EXPRESSWAY LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020
(All amounts in INR, unless otherwise stated)

Note no. 31

During FY 2019-20, the Company noticed some errors like excess amortization of Intangible Assets in last year, treatment of Government Grant inconsistent with IND As 20 ("Accounting for Government Grants and Disclosure of Government Assistance") etc. As a consequence, related assets and liabilities have been misstated. The errors have been corrected by restating each of the affected financial statement line items for prior periods. The following tables summaries the impacts on the Companys' financial statements.

Reconciliation of Balance Sheet

As on April 01, 2018	Note No.	Impact of correction of errors		
		As previously reported	Adjustments	As restated
EQUITY AND LIABILITIES				
Equity				
Other equity	I, II, III	55,94,15,097	(75,25,43,203)	(19,31,28,106)
Non Current Liabilities				
Financial Liabilities				
(i) Borrowings	I, II	2,75,17,85,932	46,93,17,354	3,22,11,03,286
Other liabilities	III	68,88,02,544	35,21,06,103	1,04,09,08,647
Current Liabilities				
Financial Liabilities				
Other liabilities	III	7,10,47,463	(6,88,80,254)	21,67,209
Total Equity & Liabilities		4,07,10,51,036	(0)	4,07,10,51,036

As on March 31, 2019	Note No.	Impact of correction of errors		
		As previously reported	Adjustments	As restated
ASSETS				
Non Current Assets				
Intangible assets	IV	5,18,37,80,290	66,64,40,325	5,85,02,20,615
Total Assets		5,22,71,47,368	66,64,40,325	5,89,35,87,693
EQUITY AND LIABILITIES				
Equity				
Other equity	I to IV	(39,02,91,890)	(17,50,19,150)	(56,53,11,040)
Non Current Liabilities				
Financial Liabilities				
(i) Borrowings	I, II	2,60,93,67,859	54,55,21,505	3,15,48,89,364
Other liabilities	III	61,99,22,287	36,48,18,223	98,47,40,510
Current Liabilities				
Financial Liabilities				
Other liabilities	III	6,97,00,575	(6,88,80,254)	8,20,321
Total Equity & Liabilities		2,90,86,98,831	66,64,40,325	3,57,51,39,156



HIMALYAN EXPRESSWAY LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020
(All amounts in INR, unless otherwise stated)

Reconciliation of Statement of profit or loss and OCI

For the year ended March 31, 2019	Note No.	Impact of correction of errors		
		As previously reported	Adjustments	As restated
Income				
Other income	III	8,50,11,410	(1,27,12,117)	7,22,99,293
Total Income		8,50,11,410	(1,27,12,117)	7,22,99,293
Expenses				
Finance costs	I, II	32,27,42,856	7,62,04,154	39,89,47,010
Depreciation and amortization expense	IV	1,00,11,59,198	(66,64,40,325)	33,47,18,873
Total Expenses		1,32,39,02,054	(59,02,36,171)	73,36,65,883
Total Comprehensive Income		(94,97,06,989)	(57,75,24,055)	(37,21,82,934)

Notes:

I. The company has taken a loan of INR 178,00,00,000 from Holding company as at 1st April, 2018 and the same was wrongly classified as other equity as "Capital contribution" under previously issued financial statement. In financial year 19-20, the company noticed the error and correctly classified the liability as Borrowing in accordance with Ind AS requirements. Accordingly, the company has revalued the borrowings to its Fair Value. Due to fair value, retained earning is increase by INR 1,13,70,75,599 and loan comes to INR 64,29,24,401 as at April 1, 2018. In FY 18-19, finance cost is increased by INR 7,71,50,928.

II. The company has issued preference shares to its holding company in earlier years, outstanding as at April 1, 2018 amounting INR 41,50,00,000 (Principal INR 25,00,00,000 plus Interest INR 16,50,00,000). Preference shares were not at fair value as per the requirement of Ind AS in previously issued financial year. During the year, the company noticed the error and rectified retrospectively by restating the financials. Accordingly other equity has been increased by INR 17,36,07,047 and corresponding borrowing is reduced by equal amount. In FY 2018-19, finance cost is decreased by INR 9,46,775.

III. The company had received the grant in earlier times, and unamortised portion of grant outstanding as at April 1, 2018 is INR 75,76,82,798. In previously issued financial statements, the grant received was wrongly amortised using straight line method instead on a systematic basis over the periods in which the company recognises as expenses the related costs for which the grant is intended to compensate. During the year, the company rectified the error and it results decrease in other equity by INR 28,32,25,849 and increase in unamortised portion of grant classified by equal amount as at April 1, 2018. During the Financial year, it results in decrease in other income by INR 1,27,12,117.

IV. The company had the intangible asset amounting to INR 5,18,27,80,290 as at March 31, 2019 amounting to INR 5,18,27,80,290. The company has policy to amortised the intangible assets in proportion of revenue (actual revenue to the current date plus estimated revenue for future years). During the financial year 2018-19, the company revised the estimated revenue and as per Ind AS it need to be account for as change in accounting estimates and accordingly effect should be given prospectively but company wrongly account for change in accounting estimates retrospectively. During the current year, the company rectified the same and it results in increase in intangible assets by INR 66,64,40,325 as at March 31, 2019 and decrease in depreciation and amortisation expenses by an equal amount.



HIMALYAN EXPRESSWAY LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020
 (All amounts in INR, unless otherwise stated)

Note no. 32

Disclosures of related parties as required by Ind AS-24

List of related parties

(i) Holding company

Jaiprakash Associates Limited (JAL)

(ii) Fellow subsidiary companies

Jaypee Infratech Limited (JIL) (subsidiary of JAL)
 Bhilai Jaypee Cement Limited (JV subsidiary of JAL)
 Jaypee Cement (Hockey) India Ltd.
 Gujarat Jaypee Cement & Infrastructure Limited
 Jaypee Ganga Infrastructure Corporation Limited
 Jaypee Agra Vikas Limited
 Jaypee Fertilizers & Industries Limited
 Jaypee Cement Corporation Limited
 Himalyaputra Aviation Limited
 Jaypee Assam Cement Limited
 Jaypee Healthcare Limited
 Jaypee Infrastructure Development Limited
 Jaiprakash Agri Initiatives Company Limited
 Yamuna Expressway Tolling Limited
 Jaypee Uttar Bharat Vikas Private Limited
 Kanpur Fertilizers & Cement Limited

(iii) Associate companies

Jaiprakash Power Ventures Limited
 Jaypee Powergrid Limited
 Jaypee Arunachal Power Limited
 Sangam Power Generation Company Limited
 Jaypee Meghalaya Power Limited
 Bina Power Supply Limited
 MP Jaypee Coal Limited
 MP Jaypee Coal Fields Limited
 Madhya Pradesh Jaypee Minerals Limited
 Jaypee Infra Ventures
 Jaypee Development Corporation Limited
 Andhra Cements Limited
 JIL Information Technology Limited
 Gaur & Nagi Limited
 Tiger Hills Holiday Resort Private Limited
 Indesign Enterprises Private Limited
 Ibonshourne Limited
 RPJ Minerals Private Limited
 Sarveshwari Stone Products Private Limited
 Rock Solid Cement Limited
 Sonehadra Minerals Private Limited

(iv) Key managerial personnel (KMP)

Shri Alok Gaur, Director & CEO
 Smt. Anjali Jain, Director
 Shri K C Batra, Director
 Shri Ashok Soni, CFO
 Smt. Megha Kainth, Company Secretary

(v) Key managerial personnel of holding company

Shri Jaiprakash Gaur (w.e.f. 19.05.18)
 Shri Manoj Gaur
 Shri Sunil Kumar Sharma
 Shri Suresh Chand Rathi, (LIC Nominee) (ceased to be Director w.e.f. 30.08.19)
 Shri Raj Narayan Bhardwaj
 Ms. Homai A. Daruwalla
 Shri Kailash Nath Bhandari
 Shri Satish Charan Kumar Patne
 Shri Chandra Prakash Jain (ceased to be Director w.e.f. 09.07.2019)
 Shri Keshav Prasad Rau
 Shri Tilak Raj Kakkar
 Shri Sunny Gaur
 Shri Pankaj Gaur
 Shri Ranvijay Singh
 Shri M M Sibbal, Company Secretary

(vi) Enterprises over which KMP have significant influence

Ceekay Estates Private Limited
 Jaiprakash Exports Private Limited
 Jaypee Jan Sewa Sanshan ('Not For Profit' Private Limited Company)
 Think Different Enterprises Private Limited
 Jaypee Hotels Limited
 Jaypee Technical Consultants Private Limited
 JC World Hospitality Private Limited
 JC Wealth & Investments Private Limited
 CK World Hospitality Private Limited
 Librans Venture Private Limited
 Samvridhi Advisors LLP
 Kram Infracore Private Limited (KIPL)
 First Light Estates Private Limited
 Dixit Holdings Private Limited
 iValue Advisors Private Limited
 Bhumi Estate Developers Private Limited
 Kenbee Consultants LLP
 AVU Enterprises Private Limited

(vii) Related parties as per section 2(76) of the Companies Act, 2013:

Renaissance Lifestyle Private Limited (through Smt. Anjali Jain)
 Akasva Associates Private Limited (through Smt. Anjali Jain)
 KCB Consultants LLP (through Shri K C Batra)

Transactions with related parties

Particulars	Name of related party	Relation with related party	Year ended	
			March 31, 2020	March 31, 2019 Restated
Receipts:				
Unsecured loan	Jaiprakash Associates Limited	Holding company	24,73,21,421	1,42,00,000
Expenditure:				
Capex/ purchases	Jaiprakash Associates Limited	Holding company	83,079	3,74,000
Salary & perquisites	Shri Alok Gaur*	KMP	95,05,659	1,24,04,543
	Smt. Megha Kainth #	KMP	7,66,764	-
Other transactions	Smt. Megha Kainth #	KMP	1,61,500	-

* till 31.08.2019

w.e.f. 15.06.2019



HIMALYAN EXPRESSWAY LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020
 (All amounts in INR, unless otherwise stated)

Note no. 33

Segment information

The Company is engaged in the business of construction, operation and maintenance of highways, The Director and Chief Executive Officer of the Company, which has been identified as being the Chief Operating Decision Maker (CODM), evaluates the Company's performance, allocate resources based on the analysis of the various performance indicator of the Company as a single unit. Therefore, there is only one reportable segment for the Company. The reporting under the provisions of Ind AS 108 (Segment Information) does not arise.

Entity wide disclosure

A. Revenue from Operations

Particulars	Year ended March 31, 2020	Year ended March 31, 2019 (Restated)
Domestic	42,71,12,391	42,96,88,777
Overseas	-	-
Total	42,71,12,391	42,96,88,777

B. Non Current Segment Assets¹

Particulars	As at March 31, 2020	As at March 31, 2019 Restated	As at April 1, 2018 Restated
-Within India	5,51,57,19,732	5,85,60,21,740	6,18,47,78,945
-Outside India	-	-	-
Total	5,51,57,19,732	5,85,60,21,740	6,18,47,78,945

¹Non-current segment assets includes property, plant and equipment's, capital work in progress, intangible assets and other non current assets.
 No single customer contributed 10% or more to the company's revenue for both the financial years 2018-19 and 2017-18.

Note no. 34

Impairment of assets

The company has been incurring losses since the commencement of commercial operations. These losses are primarily attributable to loss of revenue arising as a result of less traffic on the toll road. The company has taken up the matter with National Highway Authority of India (NHAI) and demanded the rate revision. In this regard, the approvals from the NHAI is pending. The management is confident that the company will be able to get the relevant approval from NHAI.

The company during the year ended March 31, 2020 has carried out the valuation of the asset's value in use. In determining the assets value in use, the company has estimated the future cash flow of the company on discounted cash flow basis which is based on various assumption made to arrive at the range of values. In estimating the future cash flows, the company has made key assumptions of the receipt of cash inflow on the basis of such revise rates pending for approvals which is dependent upon the company getting a favourable order from NHAI, the company based on these assumptions, has determined the value in use of the company as at March 31, 2020 (i.e. valuation date). The fair value measurement is categorized as a level 3 fair value based on the inputs in the valuation techniques used. Based on the above testing, impairment of INR 6.54 crores is identified as at March 31, 2020, as the recoverable value of the Toll Road (Intangible Asset) is INR 457.24 crores which is lower than its carrying value of INR 463.77 crores. The company has used discounting rate of 10.03% for discounting the future cash flows.

Note No.35

Debenture Redemption Reserve has not been created in view of inadequacy of profit during the year.

Note No.36

The company has neither incurred any expenditure in foreign currency nor it has earned any income in foreign currency during the year.

Note no. 37

Capital management

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The Company's primary objective when managing capital is to ensure that it maintains an efficient capital structure and healthy capital ratios and safeguard the Company's ability to continue as a going concern in order to support its business and provide maximum returns for shareholders. The Company also proposes to maintain an optimal capital structure to reduce the cost of capital.

For the purpose of the Company's capital management, capital includes issued equity share capital, security premium reserve and all other equity reserves. Net debt includes, interest bearing loans and borrowings, trade and other payables less cash and short term deposits. The Company monitors capital using gearing ratio, which is net debt divided by total capital.

Particulars	As at March 31, 2020	As at March 31, 2019 Restated	As at April 1, 2018 Restated
Debt			
Loan and Borrowings	4,45,67,64,215	4,20,25,43,456	4,16,29,59,426
Less: Cash and cash equivalents	1,71,18,586	4,30,50,515	5,03,85,424
Total debt (a)	4,43,96,45,628	4,15,94,92,941	4,11,25,74,002
Capital / Net worth	(4,41,63,528)	61,55,88,960	98,77,71,894
Gearing Ratio	-10052.74%	675.69%	416.35%

No changes were made in the objectives, policies or processes for managing capital during the years ended at March 31, 2020 and March 31, 2019.



HIMALYAN EXPRESSWAY LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020

(All amounts in INR, unless otherwise stated)

Particulars	Less than 1 year	More than 1 year and up to 5 years	More than 5 years	Total
As at April 1, 2018				
Financial Assets				
Cash and cash equivalents	5,03,85,424	-	-	5,03,85,424
Other financial assets	19,47,066	26,70,096	-	46,17,162
Total Financial Assets	5,23,32,490	26,70,096	-	5,50,02,586
Financial Liabilities				
Borrowings (including current maturity of non-current borrowings)	94,18,56,140	98,46,94,083	2,23,64,09,203	4,16,29,59,426
Trade payables	3,00,09,474	-	-	3,00,09,474
Other financial liabilities	96,68,604	3,81,04,567	-	4,77,73,171
Total financial liabilities	98,15,34,218	1,02,27,98,650	2,23,64,09,203	4,24,07,42,071

Note no. 39

The company has been incurring the continuous losses due to less traffic on the toll road and has incurred the net loss during the year amounting to INR 65.98 crores (previous year INR 37.22 crores) and the current liabilities of the company exceeds its current assets by INR 318.81 crores (previous year INR 109.98) which indicates that there is material uncertainty that may cast significant doubt about the company's ability to continue as going concern hence therefore, it may be unable to realise its assets and discharge its liabilities in the normal course of the business.

The company had raised its contention on loss of revenue due to less traffic on the toll road to NHAI and demanded for rate revision. The management is confident that the company will be able to get the relevant approval from NHAI. The accounts, however have been prepared on a going concern basis.

Note no. 40

Deferred tax assets/ liabilities for timing difference has not been created in view of uncertainty of future taxable income against which such deferred tax can be realized.

Note no. 41

World Health Organisation (WHO) declared outbreak of Coronavirus Disease (COVID-19) a global pandemic on March 11, 2020. Consequent to this, Government of India declared lockdown on 24-03-2020 which has impacted the business activities of the Company. The Company has evaluated the impact of this pandemic on its business operations and financial position and based on its review of current indicators of future economic conditions, there is no significant impact on its financial statements as at March 31, 2020. However, the impact assessment of COVID-19 will be a continuing process given the uncertainties associated with its nature and duration.

Note no. 42

Previous year figures have been regrouped/ rearranged, wherever considered necessary to conform to current year's classification.

As per our report of even date attached.

For Doogar & Associates

Chartered Accountants

Firm Registration No. 000561N

Vardhman Doogra

Partner

M.No. 517347



For and on behalf of the Board

Alok Gaur
 Director & CEO
 DIN-00112520

Megha Kainth
 Company Secretary
 M. No. F 7639

Kailash Chander Batra
 Director
 DIN-02506406

Anjali Jain
 Director
 DIN-01373388

Ashok Soni
 CFO
 PAN-ABPPS5079K

Place : Udaipur
 Date : May 18, 2020

JA HOUSE, 63 Basant Lok, Vasant Vihar, New Delhi