

Independent Auditor's Report on Financial Results Pursuant to the Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

**To
The Board of Directors of
Gujarat Road and Infrastructure Company Limited**

1. We have audited the accompanying Statement of audited financial results of Gujarat Road and Infrastructure Company Limited ('the Company') for the year ended March 31, 2019 ('the Statement') attached herewith, being submitted by the Company pursuant to the requirement of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Regulation'), read with SEBI Circular No. CIR/IMD/DF1/69/2016 dated August 10, 2016 ('the Circular'). This Statement has been prepared on the basis of the audited financial statements for year ended March 31, 2019, which is the responsibility of the Company's management and has been approved by the Board of Directors. Our responsibility is to express an opinion on the Statement based on our audit of the financial statements as at and for the year ended March 31, 2019, prepared in accordance with Indian Accounting Standards ('Ind AS') specified under section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India and the relevant requirements of the Regulation and the Circular.
2. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those standards requires that we plan and perform the audit to obtain reasonable assurance as to whether the Statement is free of material misstatement.
3. An audit involves performing procedures to obtain sufficient audit evidences about the amounts and disclosures in the Statement. The procedures selected depend on the auditor's judgement including the assessment of material misstatement of the Statement, whether due to fraud or error. In making those risk assessment, the auditor considers internal controls relevant to the Company's preparation and fair presentation of the Statement in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the statement. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.
4. In our opinion and to the best of our information and according to the explanations given to us, the Statement:
 - i. is presented in accordance with the requirements of the Regulation read with the Circular ; and
 - ii. gives a true and fair view of the net profit including other comprehensive income and other financial information of the Company for the year ended March 31, 2019.



S R B C & CO LLP

Chartered Accountants

5. Further, read with paragraph 1 above, we report that the figures for the half year ended March 31, 2019 represent the derived figures between the audited figures in respect of the financial year ended March 31, 2019 and the published figures for the half year ended September 30, 2018, which were subjected to audit as stated in paragraph 1, as required under the Regulation and the Circular.

For **S R B C & CO LLP**

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003


per **Aryn Jassani**
Partner

Membership Number: 46447



Place of Signature: Mumbai

Date: May 3, 2019



GUJARAT ROAD AND INFRASTRUCTURE COMPANY LIMITED

Registered Office : Office of the Secretary, Roads & Buildings Department, Block 14,
Second Floor, Sachivalaya, Gandhinagar - 382 010 CIN: U65990GJ1999PLC036086

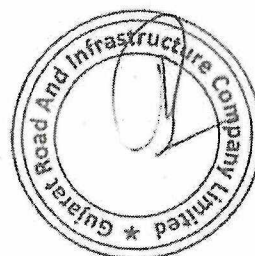
STATEMENT OF AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED MARCH 31, 2019

Sr No	Particulars	Six months ended		(INR in Lakhs)	
		Year ended		Year ended	
		March 31, 2019 (Refer Note 12)	March 31, 2018 (Refer Note 12)	March 31, 2019 (Audited)	March 31, 2018 (Audited)
1	Revenue from operations (Refer note 7 & 8)	11,348.63	8,441.11	21,127.14	15,528.19
2	Other income	330.38	271.60	574.98	585.26
3	Total Income (1+2)	11,679.01	8,712.71	21,702.12	16,093.45
4	Expenses				
	(a) Construction expenses (Refer note 8)	3,444.65	1,002.64	5,933.40	1,002.64
	(b) Operating expenses	1,618.03	2,011.02	3,163.81	3,524.55
	(c) Employee benefit Expenses	179.58	117.36	332.75	274.27
	(d) Finance Costs	1,517.20	1,405.51	3,095.14	2,766.59
	(e) Depreciation and amortisation	391.89	275.29	780.60	664.57
	(f) Other expenses	656.86	424.71	1,095.86	855.97
	Total expenses	7,808.21	5,236.53	14,401.56	9,088.59
5	Profit before tax (3-4)	3,870.80	3,476.18	7,300.56	7,004.86
6	Tax expense (Refer note 13)	212.80	1,071.31	672.09	2,562.14
7	Profit for the period (5-6)	3,658.00	2,404.87	6,628.47	4,442.72
8	Other Comprehensive Income (net of tax)				
	(a) Item that will not be reclassified to profit & loss				
	- Remeasurements of the defined benefit plans	(5.35)	1.55	(3.65)	1.52
	Total comprehensive income (net of tax)	(5.35)	1.55	(3.65)	1.52
9	Total comprehensive income for the period (net of tax)(7+8)	3,652.65	2,406.42	6,624.81	4,444.24
10	Paid-up equity share capital (face value - INR 10 per share)	5,546.23	5,546.23	5,546.23	5,546.23
11	Other equity	18,163.37	12,541.50	18,163.37	12,541.50
12	Basic and diluted earnings per share (EPS) (Face value of Rs 10/- each) (not annualised for the six months)	6.60	4.34	11.95	8.01
13	Debt/Equity Ratio (number of times)	2,515.00	2,131.00	2,515.00	2,131.00
14	Debt Service Coverage Ratio (DSCR) (number of times)	3,500.00	3,500.00	3,500.00	3,500.00
15	Interest Service Coverage Ratio (ISCR) (number of times)	0.99	1.41	0.99	1.41
	(d) Asset cover available (ACA) (number of times)	1.95	2.03	1.86	2.05
16	Details of secured Non-Convertible Debenture as follows:	3.55	3.47	3.36	3.53
		2.50	2.34	2.50	2.34

Sr. No.	Particulars	Previous due dates		Next due date	
		(October 1, 2018 to March 31, 2019)		(April 1, 2019 to September 30, 2019)	
		Principal	Interest	Principal	Interest
1	INE354H07056	31-Mar-19			
2	INE354H07064			30-Sep-19	
3	INE354H07072				
4	INE354H07080				
5	INE354H07098				
6	INE354H07106				
7	INE354H07114				
8	INE354H07122				
9	INE354H07130				
10	INE354H07148				
11	INE354H07155				
12	INE354H07163				

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GUJARAT ROAD AND INFRASTRUCTURE COMPANY LIMITED

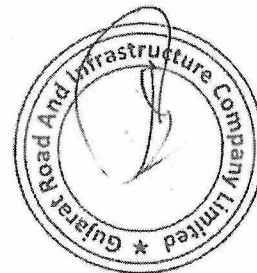
Registered Office : Office of the Secretary, Roads & Buildings Department, Block 14,
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STATEMENT OF ASSETS AND LIABILITIES AS AT MARCH 31, 2019

Particulars	As at March 31, 2019		As at March 31, 2018	
	(Audited)		(Audited)	
ASSETS				
Non-current Assets				
Property, plant and equipments		141.47		177.04
Intangible assets		47,612.77		48,349.49
Financial assets				
(i) Other financial assets		14.60		14.27
Other non-current assets		853.86		956.01
Total Non-current Assets		48,622.70		49,496.81
Current Assets				
Financial assets				
(i) Trade receivables	710.00		670.00	
(ii) Cash and cash equivalents	3,310.24		5,547.73	
(iii) Bank balances other than (ii) above	5,814.86		4,000.00	
(iv) Other financial assets	175.80	10,010.90	656.48	10,874.21
Contract assets		250.44		-
Other current assets		142.21		342.68
Total Current Assets		10,403.55		11,216.89
Total Assets		59,026.25		60,713.70
EQUITY AND LIABILITIES				
Equity				
Equity share capital		5,546.23		5,546.23
Other equity		18,163.37		12,541.50
Total Equity		23,709.60		18,087.73
LIABILITIES				
Non-current Liabilities				
Financial Liabilities				
(i) Borrowings				
(ii) Other financial liabilities (refer Note 9)	20,594.94		23,012.73	
Provisions	3,211.58	23,806.52	6,157.41	29,170.14
Deferred tax liabilities (Net)		1,118.84		665.27
Other non-current liabilities		889.26		2,199.17
		355.68		210.92
Total Non-current Liabilities		26,170.30		32,245.50
Current liabilities				
Financial liabilities				
(i) Trade payables				
(a) total outstanding dues of micro enterprises and small enterprises (refer note 10)				
(b) total outstanding dues of creditors other than micro enterprises and small enterprises	1,408.98		854.83	
(ii) Other financial liabilities	6,367.59	7,776.57	6,362.58	7,217.41
Provisions		1,255.14		1,194.42
Contract liabilities				1,887.56
Other current liabilities		114.64		81.08
Total Current Liabilities		9,146.35		10,380.47
Total Liabilities		35,316.65		42,625.97
Total Equity and Liabilities		59,026.25		60,713.70

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Notes:

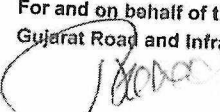
- 1 The Company is engaged in development, construction as well as operation & maintenance of road infrastructure projects. The Company has undertaken two road infrastructure projects i.e. Vadodara Halol project road and Ahmedabad Mehsana project road under concession agreement.
- 2 The aforesaid audited financial results have been reviewed by the Audit Committee at their meeting on May 3, 2019 and approved by the Board of Directors at their meeting held on May 3, 2019. The statutory auditors have carried out the audit of the same.
- 3 The Company is engaged in the business of setting up of infrastructure facility on BOOT basis. Accordingly, the Company has considered BOOT segment as a single operating segment in accordance with the Indian Accounting Standard (Ind AS) 108 on "Operating Segments".
- 4 The listed non-convertible debenture of the Company amounting to INR 23,500 lakhs outstanding as on March 31, 2019 are secured by a pari-passu first charge in favour of the Debenture Trustee on the project assets and all tangible and intangible assets, including but not limited to rights over the project site, project documents, financial assets such as receivables, cash, investments, insurance proceeds, etc.
- 5 The Company's NCDs credit rating are AAA(SO) from CARE and AAA(SO) from ICRA as per their letter dated February 07, 2019 and February 20, 2019 respectively.
- 6 Formula used for the computation of the Ratios:
 - a) Debt/Equity Ratio = Debt / (Equity Share Capital + Reserves & Surplus). Debt means aggregate of non-current borrowings, current maturities of non-current borrowings and current borrowings excluding preference shares.
 - b) Debt Service Coverage Ratio (DSCR) = Profit before Interest Expenses and Tax / (Interest Expenses + Principal Repayment excluding refinancing of)
 - c) Interest Service Coverage Ratio (ISCR) = profit before interest expenses and tax / Interest Expenses
 - d) Assets cover available (ACA) = Net Assets available as defined by the management / NCDs outstanding as at reporting date
- 7 Government of Gujarat (GoG) issued a letter dated August 12, 2016 informing the Company about its decision to grant exemption of Car/ Jeep/ Van/ 2 Wheeler/ 3Wheeler and passenger buses owned by Gujarat State Road Transport Corporation Ltd. from payment of Toll fee w.e.f. August 15, 2016 for use of the project highways operated by the Company. Till reporting date, the GoG has not formulated policy / modalities of compensating for the loss suffered by the company due to above exemption. However, based on interim approval letter and certainty of receipt from GoG, revenue of INR 4,260.00 lakhs has been recognised during the year ended March 31, 2019. As at the reporting date, total unpaid claim made by the Company on GoG toward above exemption amounts to INR 30,242.15 lakhs (including current period unpaid claim amounting to INR 13,379.42 lakhs), which has not been recognised as revenue, pending conclusion of modalities of compensation.
- 8 The revenue from operations includes construction revenue of INR 3,444.65 lakhs and INR 1,002.64 lakhs for six month ended March 31, 2019 and March 31, 2018 respectively, INR 5,933.40 lakhs and INR 1,002.64 lakhs for year ended March 31, 2019 and March 31, 2018 respectively related to construction of VUPs executed through Company and accordingly the corresponding amount of construction expenses of INR 3,444.65 lakhs and INR 1,002.64 lakhs for six month ended March 31, 2019 and March 31, 2018 respectively, and INR 5,933.40 lakhs and INR 1,002.64 lakhs for year ended March 31, 2019 and March 31, 2018 respectively, has been recognised in terms of requirement of Ind AS.
- 9 The Board of Directors in their board meeting dated February 20, 2018 approved refund of advance of INR 10,500 Lakhs in three equal instalments viz April 1, 2018, April 1, 2019 and April 1, 2020 which was received towards Capital / debt from promoters i.e. IL&FS Transportation Networks Limited ("ITNL") and Government of Gujarat ("GoG") pursuant to Corporate debt restructuring plan. Accordingly, the Company has repaid first instalment of INR 2,500 lakhs to ITNL and INR 1,000 lakhs to GoG on due date i.e. April 1, 2018.

During the year, the Company has received intimation letter from ITNL dated October 11, 2018 stating that pursuant to the memorandum of understanding entered between ITNL and IL&FS Financial Services Limited ("IFIN") and confirmation letter, the right, title and interest of any nature whatsoever in the above advances toward capital/debts has been legally and irrevocably transferred from ITNL to IFIN with effect from March 31, 2018. Accordingly, the outstanding amount of INR 5,000 lakhs payable towards dues is considered as payable to IFIN.
- 10 As per information available with the company, there are no micro, small and medium enterprises as defined in the Micro, Small and Medium Enterprise Development Act, 2006 to whom the Company owes dues on account of principal amount together with interest as at reporting date.
- 11 With effect from April 1, 2018, Ind AS 115 'Revenue from contracts with customers' is applicable to the Company. Application of Ind AS 115 did not have a significant impact on recognition and measurement of revenue and related item in these financial results as well as retained earnings as at April 1, 2018.
- 12 The results for the six months ended March 31, 2019 and March 31, 2018, are balancing figures between audited figures for the full financial year and the audited figures up to the half year ended September 30, 2018 and September 30, 2017 respectively.
- 13 Tax expense includes current tax of INR 2364.57 and INR 1692.48 deferred tax credit. The tax has been reduced significantly as compared to previous year due to change in income tax rate from 30% to 25%.
- 14 Previous year's figures have been regrouped where necessary, to conform to this year's classification.

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BY

SRBC & CO LLP
MUMBAI

Date : May 3, 2019
Place : Mumbai

For and on behalf of the Board of Directors of
Gujarat Road and Infrastructure Project Limited

Chief Executive Officer
