

**Independent Auditor's Report on Half Yearly Audited Financial Results of the Company pursuant to the Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended**

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

**Report on the audit of the Financial Results****Opinion**

We have audited the accompanying statement of half-yearly audited financial results of Gujarat Road and Infrastructure Company Limited ('the Company') for the half year ended September 30, 2020 ('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, as amended (the "Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the Statement:

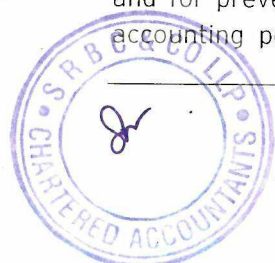
- i. is presented in accordance with the requirements of the Listing Regulations in this regard; and
- ii. gives a true and fair view in conformity with the recognition and measurement principles laid down in the applicable Indian Accounting Standards, and other accounting principles generally accepted in India of the total comprehensive income comprising of net profit and other comprehensive income and other financial information of the Company for the half year ended September 30, 2020.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013, as amended ("the Act"). Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Results" 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 results 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.

**Management's Responsibilities for the Financial Results**

These financial results have been prepared on the basis of the interim condensed financial statement. The Board of Directors of the Company are responsible for the preparation and presentation of the Statement that gives a true and fair view of the net profit and other comprehensive income of the Company and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 (Ind AS -34), 'Interim Financial Reporting' prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 52 of the Listing Regulations. 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 the 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 Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Statement, the 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

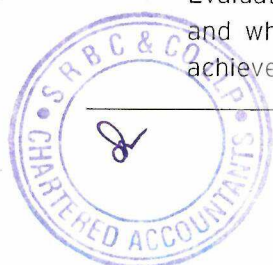
The Board of Directors are also responsible for overseeing the Company's financial reporting process.

## **Auditor's Responsibilities for the Audit of the Financial Results**

Our objectives are to obtain reasonable assurance about whether the Statement as a whole is 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 the Statement.

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 Statement, 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, but not for the purpose of expressing an opinion on the effectiveness of Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' 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 results 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 Statement, including the disclosures, and whether the Statement represents the underlying transactions and events in a manner that achieves fair presentation.



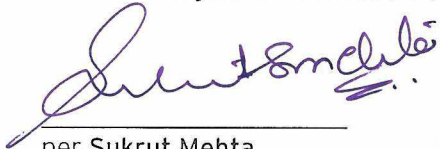
# SRBC & CO LLP

Chartered Accountants

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.

For SRBC & CO LLP  
Chartered Accountants  
ICAI Firm Registration Number: 324982E/E300003



per Sukrut Mehta  
Partner

Membership Number: 101974  
UDIN: 20101974AAAAEF2733



Place of Signature: Ahmedabad  
Date: November 12, 2020



## 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 HALF YEAR ENDED SEPTEMBER 30, 2020

Sr No	Particulars	(INR in Lakhs)			
		Six months ended		Year ended	
		September 30, 2020 (Audited)	September 30, 2019 (Audited)	March 31, 2020 (Audited)	
1	Revenue from operations (refer note 8 & 9)	6,604.85	12,348.79	21,268.58	
2	Other income	251.43	317.70	692.23	
3	<b>Total income (1+2)</b>	<b>6,856.28</b>	<b>12,666.49</b>	<b>21,960.81</b>	
4	<b>Expenses</b>				
	(a) Sub-contractors charges (refer note 9)	-	4,264.28	4,785.16	
	(b) Operating expenses	1,777.08	1,431.75	2,898.57	
	(c) Employee benefit expenses	178.64	181.08	383.65	
	(d) Finance costs	1,064.23	1,330.19	2,607.33	
	(e) Depreciation and amortisation (refer note 7)	940.92	550.29	2,482.26	
	(f) Other expenses	455.77	467.84	983.19	
	<b>Total expenses</b>	<b>4,416.64</b>	<b>8,225.43</b>	<b>14,140.16</b>	
5	<b>Profit before tax (3-4)</b>	<b>2,439.64</b>	<b>4,441.06</b>	<b>7,820.65</b>	
6	<b>Tax expenses</b>				
	Current tax	503.67	918.58	1,664.00	
	Deferred tax	(299.10)	(957.31)	(2,115.45)	
	Adjustment of tax related to earlier years	-	(2,267.34)	(2,268.83)	
7	<b>Profit for the period / year (5-6)</b>	<b>2,235.07</b>	<b>6,747.13</b>	<b>10,540.93</b>	
8	Other Comprehensive Income (net of tax) Item that will not be reclassified to profit & loss in subsequent period: - Remeasurements of the defined benefit plans (net of tax)	(2.41)	(3.37)	(1.73)	
	<b>Total comprehensive income (net of tax)</b>	<b>(2.41)</b>	<b>(3.37)</b>	<b>(1.73)</b>	
9	<b>Total comprehensive income for the period / year (net of tax)(7+8)</b>	<b>2,232.66</b>	<b>6,743.76</b>	<b>10,539.20</b>	
10	Paid-up equity share capital (face value - INR 10 per share)	5,546.23	5,546.23	5,546.23	
11	Other equity	30,935.24	24,907.13	28,702.57	
12	Basic and diluted earnings per share (EPS) (Face value of INR 10/- each) (not annualised for the half year) See accompanying notes to the financial results	4.03	12.17	19.01	
13	Debenture Redemption Reserve	1,577.50	2,202.50	1,890.00	
14	Capital Redemption Reserve	3,500.00	3,500.00	3,500.00	
15	Ratios (Refer Note 6)				
	(a) Debt/Equity Ratio (number of times)	0.54	0.73	0.61	
	(b) Debt Service Coverage Ratio (DSCR) (number of times)	1.51	2.24	2.04	
	(c) Interest Service Coverage Ratio (ISCR) (number of times)	3.29	4.34	4.00	
	(d) Asset cover available (ACA) (number of times)	2.60	2.66	2.90	
16	<b>Details of secured Non-Convertible Debenture as follows:</b>				
Sr. No.	Particulars	Previous due dates (April 1, 2020 to September 30, 2020)		Next due date (October 1, 2020 to March 31, 2021)	
		Principal	Interest	Principal	Interest
1	INE354H07072	30-Sep-20		31-Mar-21	
2	INE354H07080	-		-	
3	INE354H07098	-		-	
4	INE354H07106	-		-	
5	INE354H07114	-		-	
6	INE354H07122	-	30-Jun-20 & 30-Sep-20	-	31-Dec-20 & 31-Mar-21
7	INE354H07130	-		-	
8	INE354H07148	-		-	
9	INE354H07155	-		-	
10	INE354H07163	-		-	

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# GUJARAT ROAD AND INFRASTRUCTURE COMPANY LIMITED

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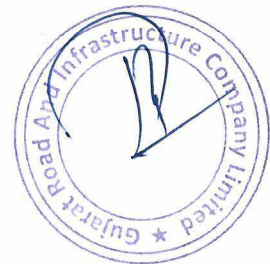
## STATEMENT OF ASSETS AND LIABILITIES AS AT SEPTEMBER 30, 2020

Particulars	(INR in Lakhs)	
	As at September 30, 2020 (Audited)	As at March 31, 2020 (Audited)
<b>ASSETS</b>		
<b>Non-current Assets</b>		
Property, plant and equipments	619.35	601.15
Intangible assets (refer note 7)	44,348.27	45,236.70
Intangible assets under development	74.30	-
Financial assets		
(i) Other financial assets	15.48	15.48
Deferred tax assets (net)	3,784.98	3,485.88
Other non-current assets	1,270.59	931.25
<b>Total Non-current Assets</b>	<b>50,112.97</b>	<b>50,270.46</b>
<b>Current Assets</b>		
Financial assets		
(i) Investments	2,958.12	2,500.46
(ii) Trade receivables	1,185.00	-
(iii) Cash and cash equivalents	1,002.56	7,317.28
(iv) Bank balances other than (iii) above	5,883.75	4,000.00
(v) Other financial assets	43.10	15.96
Other current assets	295.34	186.89
<b>Total Current Assets</b>	<b>11,367.87</b>	<b>14,020.59</b>
<b>Total Assets</b>	<b>61,480.84</b>	<b>64,291.05</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Equity share capital	5,546.23	5,546.23
Other equity	30,935.24	28,702.57
<b>Total Equity</b>	<b>36,481.47</b>	<b>34,248.80</b>
<b>LIABILITIES</b>		
<b>Non-current Liabilities</b>		
Financial liabilities		
i) Borrowings	16,956.46	18,170.87
Provisions	1,295.33	1,353.15
Other non-current liabilities	371.26	401.83
<b>Total Non-current Liabilities</b>	<b>18,623.05</b>	<b>19,925.85</b>
<b>Current liabilities</b>		
Contract liabilities	-	182.41
Financial liabilities		
(i) Trade payables		
(a) total outstanding dues of micro enterprises and small enterprises	8.76	4.30
(b) total outstanding dues of creditors other than micro enterprises and small enterprises	1,189.60	2,086.80
(ii) Other financial liabilities	3,120.13	6,384.88
Provisions	1,960.37	1,348.00
Other current liabilities	97.46	110.01
<b>Total Current Liabilities</b>	<b>6,376.32</b>	<b>10,116.40</b>
<b>Total Liabilities</b>	<b>24,999.37</b>	<b>30,042.25</b>
<b>Total Equity and Liabilities</b>	<b>61,480.84</b>	<b>64,291.05</b>

See accompanying notes to the financial results.

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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 November 11, 2020 and approved by the Board of Directors at their meeting held on November 12, 2020. The statutory auditors have carried out the audit of the same.
- 3 The Company is engaged in the business of operational and maintenances 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 19,750 lakhs outstanding as on September 30, 2020 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(Stable) from CARE and AAA(Stable) from ICRA as per their letter dated September 30, 2020 and March 30, 2020 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 loans)
  - 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 During previous year ended 31 March 2020, the management revisited its policy for amortising Toll Collection Right (Intangible assets). It decided to amortise the Toll Collection Rights as per the existing concession period of 30 years from the commencement of Operations i.e. upto FY 2030 and FY 2033 respectively in case of its two toll assets i.e. Vadodara Halol Road Project (VHRP) and Ahmedabad Mehsana Road Project (AMRP) respectively. Hitherto, the company was amortising the same after including the proposed extended concession period i.e. FY 2040, which was pursuant to preliminary communications on the matter from Government of Gujarat. Consequent to this revision, an additional amount of INR 616.65 lakhs was charged as amortisation, the effect of which was given in the results for the half year and the year ended March 31, 2020.
- 8 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. During the current period, GoG vide letter dated August 6, 2020 and amended letter dated October 23, 2020 has proposed modality for compensating loss suffered due to above exemption to the Company. The same is being further discussed with GoG and the Company expects that the procedural modalities of ascertaining actual compensation payable based on the approved mechanism will be firmed in near future.  
  
Pending conclusion of modalities of compensation, the company has continued to recognize the revenue amounting to INR 1,735 lakhs (September 30, 2019: INR 2,238 lakhs) during the period ended September 30, 2020 based on interim approval letter and certainty of receipts from GoG.
- 9 The revenue from Operations includes construction revenue of INR Nil and INR 4,264.28 lakhs for six months ended September 30, 2020 and September 30, 2019 respectively, INR 4,785.16 lakhs for the year ended March 31, 2020 related to construction of VUPs executed through Company and accordingly the corresponding amount of construction expenses of INR Nil and INR 4,264.28 lakhs for six months ended September 30, 2020 and September 30, 2019 respectively, INR 4,785.16 lakhs for the year ended March 31, 2020 has been recognised in terms of requirement of Ind AS.
- 10 The company has assessed the possible effects that may result from the pandemic relating to Covid-19 on the revenue, carrying amounts of Toll collection rights and amortisation thereof, Minimum Alternative Tax credit included under the deferred tax and provision for overlay obligation. The effects of the same have been included in these results. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the company, as at date of approval of these financial results has used corroborative information. The company has concluded that the impact of Covid-19 is not material based on the evaluations on the immediate and long term operations of the Company. Due to the uncertain nature of the pandemic, the company will continue to monitor developments to identify current impact in future periods, if any.
- 11 Previous period and year's figures have been regrouped where necessary, to conform to current period classification.

Date : November 12, 2020  
Place : Gandhinagar

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

Praveen Vasant  
Chief Executive Officer

