

**AJR INFRA AND TOLLING LIMITED**  
**(Formerly Gammon Infrastructure Projects Limited)**

Date: 19<sup>th</sup> April, 2023

To,  
The Listing Department  
**National Stock Exchange of India Limited**  
Exchange Plaza, C-1, Block – G,  
Bandra - Kurla Complex, Bandra (E),  
Mumbai – 400 051  
Scrip ID – AJRINFRA

To,  
Listing Department  
**BSE Limited**  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai – 400 001  
Scrip Code - 532959

Dear Sir / Madam,

**Sub: Outcome of Board Meeting**

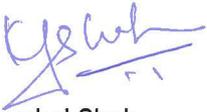
Pursuant to Regulation 33 of the SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015, we are submitting herewith Un-audited Standalone & Consolidated Financial Results for the quarter ended on 31<sup>st</sup> December, 2022 as approved by the Board of Directors of the Company along-with Auditors' Limited Review Report at its meeting held today.

The meeting of the Board of Directors commenced at 16.20 hours and concluded at 20.00 hours.

Kindly take the same on record.

Yours truly,

For, **AJR Infra And Tolling Limited**  
(formerly Gammon Infrastructure Projects Limited)

  
Kaushal Shah  
Company Secretary & Compliance Officer

# AJR INFRA AND TOLLING LIMITED

## (Formerly Gammon Infrastructure Projects Limited)

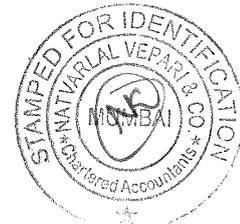
### Statement of Standalone Financial Results for the quarter and nine months ended December 31, 2022

(Rs in lacs)

Sr No	Particulars	Quarter ended			Nine months ended		Year Ended
		31-Dec-22	30-Sep-22	31-Dec-21	31-Dec-22	31-Dec-21	31-Mar-22
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
	Revenue from Operations	-	-	-	-	-	-
	Other Income (refer Note 8)	250.17	229.73	262.60	677.33	2,098.70	2,676.75
1	<b>Total Income</b>	<b>250.17</b>	<b>229.73</b>	<b>262.60</b>	<b>677.33</b>	<b>2,098.70</b>	<b>2,676.75</b>
2	<b>Expenses</b>						
	a) Construction Expenses	-	-	-	-	-	-
	b) Employee Benefit Expenses	17.59	17.83	17.12	53.44	38.18	52.32
	c) Finance Cost	208.75	208.76	2.08	570.18	5.23	6.94
	d) Depreciation and Amortization Expenses	0.71	0.63	1.29	1.97	3.97	5.23
	e) Other Expenses	43.49	120.27	57.30	290.87	1,576.76	968.94
	<b>Total Expenses</b>	<b>270.54</b>	<b>347.49</b>	<b>77.79</b>	<b>916.46</b>	<b>1,624.14</b>	<b>1,033.43</b>
3	<b>Profit/(Loss) Before Exceptional Item &amp; Tax (1-2)</b>	<b>(20.37)</b>	<b>(117.76)</b>	<b>184.81</b>	<b>(239.13)</b>	<b>474.56</b>	<b>1,643.32</b>
4	Exceptional Items - Income / (Expense)	(50.87)	(141.12)	-	(1,27,853.82)	-	(57,265.14)
5	<b>Profit/(Loss) Before Tax (3+4)</b>	<b>(71.24)</b>	<b>(258.88)</b>	<b>184.81</b>	<b>(1,28,092.95)</b>	<b>474.56</b>	<b>(55,621.82)</b>
6	<b>Tax Expense</b>	<b>20.96</b>	<b>15.63</b>	<b>10.57</b>	<b>44.49</b>	<b>35.33</b>	<b>53.18</b>
	Current Tax	-	-	-	-	-	-
	Taxation for earlier years	-	-	-	-	-	-
	Deferred Tax Liability / (asset)	20.96	15.63	10.57	44.49	35.33	53.18
7	<b>Profit/(Loss) for the period</b>	<b>(92.20)</b>	<b>(274.51)</b>	<b>174.24</b>	<b>(1,28,137.44)</b>	<b>439.23</b>	<b>(55,675.00)</b>
8	<b>Other Comprehensive Income</b>						
	Items that will not be reclassified subsequently to profit or loss						
	Remeasurement of defined benefit plans	-	-	-	-	-	1.21
	<b>Other Comprehensive Income for the period, net of tax</b>	-	-	-	-	-	1.21
9	<b>Total Comprehensive Income for the period (7+8)</b>	<b>(92.20)</b>	<b>(274.51)</b>	<b>174.24</b>	<b>(1,28,137.44)</b>	<b>439.23</b>	<b>(55,673.79)</b>
10	Paid up Equity Capital (Face Value of Rs.2 each)						18,917.64
11	Other Equity						10,816.49
12	<b>Earnings per equity share [nominal value of share Rs. 2/-]</b>						
	Basic (Rs.)	(0.01)	(0.03)	0.02	(13.61)	0.05	(5.91)
	Diluted (Rs.)	(0.01)	(0.03)	0.02	(13.60)	0.05	(5.91)

For and on behalf of the Board of Directors of  
AJR Infra and Tolling Limited  
(Formerly Gammon Infrastructure Projects Limited)

*Mineel Mali*  
Mineel Mali  
Whole-Time Director  
DIN: 06641595  
Place: Mumbai  
Date: April 19, 2023



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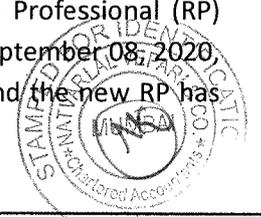
## (Formerly Gammon Infrastructure Projects Limited)

### Notes:

1. The above unaudited Standalone Financial Results for the quarter and nine months ended 31<sup>st</sup> December, 2022 as reviewed by the Audit Committee, were approved and taken on record by the Board of Directors in their meeting held on 19<sup>th</sup> April 2023. The statutory auditors have carried out a limited Review of the Standalone Financial Results and have issued their modified report thereon.
2. The above financial results are prepared in accordance with the Indian Accounting Standards (Ind-AS) as prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India.
3. During the previous periods, in respect of 2 (two) of its subsidiary companies, Corporate Insolvency Resolution Proceedings (CIRP) were initiated by financial creditors of the respective subsidiaries by filing a petition before the Hon'ble National Company Law Tribunal (NCLT). The NCLT admitted the petition and accordingly, the Boards of the respective subsidiaries were superseded, and Interim Resolution Professional/ Resolution Professional (RP) were appointed. Accordingly, the Company, namely, AJR Infra and Tolling Limited (Formerly Gammon Infrastructure Projects Limited) lost control over these 2 subsidiaries. These equity instruments presently are carried at Fair Value through Profit & Loss. The book value of these investments are considered as fair value since the valuation reports are yet to be received and accepted by the Company. The subsidiaries are:
  - a. Patna Highway Projects Limited (PHPL): One of the Lender i.e., Corporation Bank (merged with Union Bank of India w.e.f. 1st April 2020) had filed an application under the provisions of Insolvency and Bankruptcy Code, 2016 (IBC) with NCLT which had been admitted and an Interim Resolution Professional (IRP) had been appointed on 7th January 2020. The Net exposure of the Company is Rs. 1,40,318.70 lacs (funded and non-funded). The valuation exercise has been concluded by the Resolution Professional (RP) for the determination of surplus available to the Equity holders after settlement of the creditor's dues. However due to the non-availability of the valuation report, the extent of impairment required in the books of accounts of the Company cannot be assessed and will be dependent on the receipt of valuation report and its acceptance by the Company. The Corporate Guarantee provided by the Company is continued to be shown as contingent liability.

Resolution Plan submitted by Silver Point has been accepted by the COC/ RP against which the Company had filed an intervention application before NCLT, which has since been rejected by Hon'ble NCLT. The NCLT vide order dated May 10, 2022, has approved the resolution plan. The Company has filed an appeal on 13th July 2022 against the impugned order in NCLAT. Respondents filed their replies and SPV has filed their rejoinders on 21.02.2023. The matters have been adjourned to April 20, 2023.

- b. Rajahmundry Godavari Bridge Limited (RGBL): One of the Consortium Banks of RGBL had initiated and filed an application under the provisions of Insolvency and Bankruptcy Code, 2016 (IBC) with NCLT. The Hon'ble NCLT had passed an order dated 27th February 2020 admitting the matter to Corporate Insolvency Resolution Process (CIRP) under the IBC and appointing an Interim Resolution Professional (IRP) on 27th February 2020. The IRP has been replaced with a new Resolution Professional (RP) pursuant to the Hon'ble NCLT order dated August 21, 2020, which was issued on September 08, 2020 based on an application filed by the Committee of Financial Creditors / Lenders and the new RP has



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taken charge of RGBL from the erstwhile IRP and the Project. The valuation exercise has been carried out by the Resolution Professional (RP) for the determination of surplus available to the Equity holders after settlement of the creditor's dues. However due to the non-availability of valuation report, the extent of impairment required in the books of accounts of the Company, cannot be assessed and will be dependent on the receipt of valuation report and its acceptance by the Company.

The Company had filed an Intervention Application at Hon'ble NCLT being aggrieved by the rejection of COC to consider the proposal dated 24.02.2022 of the applicant under section 12A of IBC. The matter was listed on 7<sup>th</sup> June,2022 for admission of the petition. The Hon'ble Members were pleased to direct the RP to file reply to the subject IA and further stated that upon approval of the resolution plan by the CoC, application under section 12A is not maintainable. At the next hearing dated 21<sup>st</sup> June,2022 the company requested for time to file an affidavit in rejoinder to the reply filed by the Resolution Professional. Resolution Plan submitted by M/s. Prakash Asphaltings & Toll Highways (India) Limited has been accepted by the COC/ RP against which the company had filed an intervention application before NCLT, challenging the Resolution Plan, which has since been rejected by Hon'ble NCLT. The NCLT vide order dated August 10, 2022, has approved the resolution plan. The company has filed an appeal against the impugned order in NCLAT which is pending admission. Since the matter has not progressed as expected and the appeal in NCLAT is yet to get listed the company has made a provision in the books of accounts for the Quarter and nine months ended 31<sup>st</sup> December,2022 towards its entire funded exposure in the SPV amounting to Rs.1,08,190.66 lacs on a prudent basis.

4. **Project related notes:** In respect of the following projects/Special Purpose Vehicles (SPVs) of the Company where the company has investment there are legal issues, arbitration proceedings or negotiations with the Concession Grantor for which the Management is taking necessary steps to resolve the matters:

- a. Container Terminal at Mumbai: The Project was delayed due to non-fulfilment of certain obligations by the Mumbai Port Trust (MbPT) under the License Agreement (LA) signed by the SPV with MbPT. The Roll-On-Roll-Off (RORO) operations was allowed by MbPT as an interim measure for alternate use of the 2 (two) berths for a mix of cargo of container, steel and RORO and is still continuing. However, the revenue generated through alternative use is inadequate for repayment of principal and interest of the Lenders and the credit facility account was declared NPA (Non-Performing asset) by the Lenders of the SPV. The SPV has issued a Dispute Notice for the Licensor's Event of Default against MbPT and called upon the Licensor to refer the disputes for amicable settlement under the LA and the matter is pending with MbPT. A petition was filed by the SPV under section 9 and an application under section 11 of the Arbitration and Conciliation Act, 1996 was also filed where in Order dated 1<sup>st</sup> August 2019 is passed and interim protection by way of prayer is allowed for carrying ad-hoc RORO operations.

The SPV and the MBPT have nominated their arbitrators and they in turn have jointly appointed the Presiding Arbitrator/Umpire arbitrator and accordingly, the Arbitral Tribunal (AT) is formed. The SPV has duly filed its Statement of Claim (SOC) against MbPT for an amount of Rs. 296,736 lacs on 8<sup>th</sup> November 2019. MbPT has filed their Statement of Defense (SOD) and filed their Counter Claim of Rs 240,000 lacs with the Tribunal.

In the meantime, MbPT has sent letters dated May 28, 2021 / October 08, 2021, and invited ICTPL for a settlement of all disputes raised with the Arbitral Tribunal, to which ICTPL has replied and given



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their concurrence and the process is under active discussion. Both the parties have sought permission to keep the ongoing arbitration in abeyance for the next 6 months since the parties have started conciliation proceedings. A virtual hearing was held by the Tribunal on 01-11-2021 to determine if the above application for keeping the matter in abeyance for a period of 6 months can be allowed and if the same would be in compliance of Arbitration and Conciliation Act,1996. After initial review, the extension was allowed and both the parties were directed to intimate the conciliation proceedings to the tribunal by 25<sup>th</sup> May,2022. Since there was no outcome, both the parties jointly opined for the further extension and accordingly filed the application for extension from time to time to wait for the outcome of the conciliation proceedings before the CSC. On the last hearing date i.e., on 07.02.2023 once again on joint request of both the parties the Hon'ble Tribunal was pleased to adjourn the matter to 19<sup>th</sup> April 2023, directing parties that for any extension henceforth, both the parties shall jointly approach the Hon'ble High Court, Bombay.

The SPV's submission of a One-Time Settlement (OTS) proposal to the consortium of Lenders', and the decision on acceptance, which is dependent upon fulfilment of certain conditions, are yet to be concluded.

The Auditors of the SPV have highlighted material uncertainty regarding going concern issue in their report for the quarter and nine months ended December 31, 2022, and have qualified their report relating to their inability to conclude on impairment pending the settlement of the outstanding dispute. The Management has resumed discussions on revival of the Project with MbPT and the Ministry of Shipping (MoS) and is hopeful of finding an amicable resolution. The exposure of the Company in the SPV / project is Rs 13,246.76 lacs.

- b. Sidhi Singrauli Road Project Limited (SPV of the company) had signed a Concession Agreement (CA) for 30 years for upgradation of the existing highway from two-lane to four-lane with Madhya Pradesh Road Development Corporation Limited (MPRDC). AJR Infra and Tolling Limited (Formerly Gammon Infrastructure Projects Limited) is the EPC contractor for the Project.

The Project was scheduled to commence commercial operations from 19<sup>th</sup>September 2015. However, delays on account of MPRDC in providing the required clearances and the Right of Way (ROW), have resulted in the extension of the Commercial Operations Date (COD). These delays have also resulted in increase in project cost, primarily due to increase in interest during construction period resulting from the time overruns and the credit facility with consortium of banks / lenders was classified as Non-Performing Asset (NPA).

Meanwhile, the Lead Bank has also issued notice dated October 15, 2019, for invocation of Corporate Guarantee (CG) issued by the Company in favor of the SPV's Banks / Lenders, due to financial default by the SPV. The SPV and the company have filed its response dated November 11, 2019, to the said notices issued by the Lead Bank. The Lead bank has also sent Demand cum loan recall notice dated 30<sup>th</sup> December 2021 demanding repayment of loan availed from the Consortium of Lenders (Including Indian Bank e-Allahabad Bank and IIFCL). The SPV has duly replied to the notice vide letter dated 31<sup>st</sup> January,2022.

During the year ended March 2021, the SPV had received notice of intention to terminate the Project



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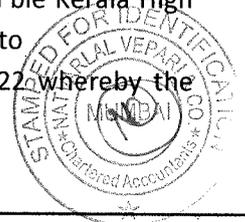
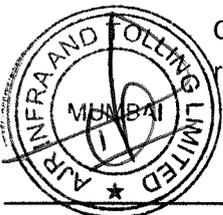
vide letter dated July 17, 2020, from MPRDC followed by a Termination Notice dated August 13, 2020, and advised the SPV vide their letter dated August 24, 2020 to comply with the divestment rights and interest under the provisions of the Concession Agreement and handover the Project to MPRDC.

Pursuant to the Termination Notice issued by MPRDC, SPV has contested the Termination Notice vide their letter dated 1st October 2020 and has approached MPRDC and Ministry of Road Transport and Highways (MoRTH) to find an amicable resolution under the circular dated March 09, 2020, on stuck BOT projects issued by MoRTH in the interest of all the stakeholders. The Company is exploring options to find an amicable resolution for the Project. Meanwhile, the company has also invoked the Arbitration process vide letter dated 22<sup>nd</sup> February, 2021 and a 3-member Arbitration Tribunal has been constituted. Two virtual hearings were held and the SPV has submitted its Statement of claims amounting to Rs 284,804.32 Lacs to the Arbitral Tribunal on 8<sup>th</sup> September, 2021 as per its procedural order dated 2nd June, 2021 / extensions granted thereunder. The respondents have also filed their SOD. The SPV has duly replied to the SOD and counter claim filed by MPRDC and also filed rejoinder to the written statement. In the previous hearings, the order was pronounced with a decision that MoRTH should be a party to the arbitration proceedings. In the meantime, the Arbitrator nominated by the SPV has excused himself from the Arbitration due to an age ailment. Accordingly, SPV is seeking a replacement for the said Arbitrator.

In view of the issues and problems associated with the progress of the project including the final notice to terminate the project and subsequent developments in various arbitration hearings as detailed above the Company during the year ended March 31, 2022 on a prudent basis has made provision for impairment of its investments and written off/(back) project balances amounting to Rs 51,855.21 lacs in the books of accounts for the year ended 31<sup>st</sup> March, 2022 and shown the same as exceptional item. The exposure of the Company in the SPV is Rs 95,846.91 lacs (funded and non-funded). The Auditors of the SPV have highlighted material uncertainty regarding going concern issue in their audit report for the quarter and nine months ended December 31, 2022.

- c. Bridge project at Cochin: The Greater Cochin Development Authority (GCDA) has sought to end the toll collection by unilaterally sealing the toll booth. Cochin Bridge Infrastructure Company Limited (SPV) has initiated arbitration / settlement process. The SPV has also in parallel filed a writ in the matter before the Hon'ble Kerala High Court for specific performance. However, the Government of Kerala approached the Hon'ble High Court for further extension of time and the Court granted extension to settle the matter, subsequent to which the SPV has filed amended plaint. The said SPV pursuant to the assurance given by GCDA and State Government filed a fresh writ petition for directions to GCDA to pay the dues of SPV. The arbitration process was kept in abeyance.

Matter was last listed on 10<sup>th</sup> July 2019 wherein it was argued and after considering the points of arguments, the Hon'ble High Court passed the orders that the writs petition stands dismissed with reserving the liberty to seek appropriate resolution before the Arbitral Tribunal. The SPV is in the process of re-constituting the Arbitral Tribunal and has intimated GCDA vide its letter dated 3<sup>rd</sup> January 2020 for revival of the Arbitration proceedings and to appoint their nominee arbitrator. Since, GCDA is neither responding nor appointing its nominee arbitrator, the SPV has filed an application under section 11 & section 14 of the Arbitration and Conciliation Act with the Hon'ble Kerala High Court and duly informed that they have nominated their new arbitrator with regard to reconstitution of the Ld. Arbitral Tribunal. The matter was listed on 21<sup>st</sup> June, 2022 whereby the



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Hon'ble Kerala High Court appointed the sole arbitrator to adjudicate the disputes. Statement of Claim and Statement of defense has been filed by both the Parties. The parties have filed rejoinder on March 18,2023. The last hearing was held on April 13,2023 on which issues were framed and now argument would start. The next date is yet to be listed. The exposure of the Company in the SPV is Rs 2,379 .22 lacs (funded).

- d. Hydro power project at Himachal Pradesh - the Project is stalled due to local agitation relating to environment issues. The SPV has received letter from the Government of Himachal Pradesh (GoHP), to discuss the matter mutually towards amicable resolution. After the SPV invoked arbitration on 19<sup>th</sup> February 2018, the arbitration is now concluded, and the Arbitral Award was pronounced by the Hon'ble Tribunal on 23<sup>rd</sup> January 2023 in favour of the SPV. The amount of award due to the SPV is expected to be in excess of exposure of Rs. 7,124.29 lacs and therefore the management does not expect any impairment towards the exposure. The Management is hopeful of an early settlement in the matter and is confident of recovering the amount of exposure.

- e. The Company has incorporated a SPV for developing Rangit-II Hydroelectric Power Project in Sikkim on Build, Own, Operate and Transfer (BOOT) basis. The Project involves the development of a 66 MW run-of-the-river Hydroelectric Power Project on Rimbi river, a tributary of river (COD). The Project is presently in a state of limbo pending the signing of PPA and achieving financial closure. The Management is of the view that the present situation in the power business is temporary and does not foresee any need for impairment. The matter before NCLT of one of the operational creditors of the SPV has been settled favorably in favor of the SPV.

Post withdrawal of the CIRP proceedings, the company has been in discussion with buyers for Sale or otherwise dilution of Company's investment in the SPV and have also obtained in principal approval vide special resolution at the EGM dated 12<sup>th</sup> August,2022. Subsequently the Company has entered into a Share Purchase agreement for an aggregate consideration of Rs. 90 crores. The exposure of the Company to the SPV is Rs.8,974.43 lacs (net of impairment already done). There are some conditions precedents which are yet to be fulfilled as on date. Though the company has been actively pursuing the matter, there have been delays in completing some of the condition's precedent to the agreement with the prospective buyer, due to which the transaction has been kept on hold. In view of the uncertainty associated with the agreement with the prospective buyer, the company has made provision in the books of accounts for the Quarter and nine months ended 31<sup>st</sup> December,2022 towards its exposure in the SPV amounting to Rs.8,974.43 lakhs on a prudent basis.

- f. Pravara Renewable Energy Limited (SPV of the company) – Pravara has entered into a Project Development Agreement (PDA) with Karkhana (Padmashri Dr. Vithalrao Vikhe Patil Sahakari Sakhar Karkhana Limited) for the development of a 30 MW Cogeneration Project on Build-Own-Operate-Transfer (BOOT) basis. The Concession period is 25 years from Commercial Operation Date (COD). The viability of the project and the ability to continue as a going concern depends upon the ability of the Company to procure Bagasse/ alternate Fuel at a viable price either from Karkhana under the arrangement to supply them power in return or from the open Market. In view of the pending settlement between the Company and Karkhana, the availability of adequate Bagasse to run the plant at optimum capacity is a matter of significant uncertainty.

The company had filed an application under Sec 9 of Arbitration and conciliation Act, 1996 against Karkhana seeking interim reliefs which was heard by Hon'ble High Court on 30th October 2021 and



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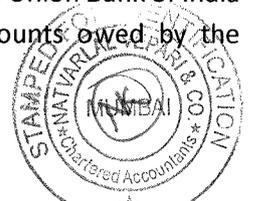
adjourned to 22nd November 2021 for filing reply. The Single Judge of the Hon'ble Bombay High Court, after elaborately dealing with the contentions of both the parties, passed an Order dated 11th April 2022 to restrain Karkhana and any representative acting on behalf of the Karkhana, from entering the premises of the Co-generation Plant pending the hearing/final disposal and until final execution of the Arbitral Award. Subsequently, on 2nd May, 2022, after dealing with the submissions of Karkhana's appeal and contentions of both the parties, Division Bench of the Hon'ble Bombay High Court had admitted the Karkhana's appeal filed under section 37 of the Arbitration & Conciliation Act ("the Act"), and granted stay of the Order dated 11th April, 2022 passed by the Single Judge in Commercial Arbitration Petition (L.) No. 23525 of 2021 (filed under Section 9 of the Act by the Petitioner).

The Company subsequently filed Special Leave Petition (SLP) in the Supreme Court against the impugned Order dated 2nd May 2022 passed by the Hon'ble High Court of Judicature at Bombay and after hearing both the parties, Supreme Court had directed the Company vide order dated 20th May 2022 to approach Arbitration Tribunal for relief since the tribunal is constituted. Accordingly, PREL has filed its relief application under Sec 17 of Arbitration and conciliation Act, 1996 on 18th July 2022 against Karkhana before the Arbitral Tribunal.

In the meantime, Karkhana approached Debts Recovery Tribunal, Aurangabad and the matter was listed with objections on the maintainability and the Interlocutory application No 1239/2021 for seeking certain directions for stay. On 29th December 2021, Hon'ble DRT Aurangabad, without issuing any notice to the Company, passed an Ex-party order of "Status quo" and granted the liberty to the Karkhana to settle the matter with the Lenders. The Company had challenged the said Ex-party Order before the Hon'ble DRAT, Mumbai. Subsequently, by virtue of order dated 8th September 2022 the court receiver has been appointed by DRT Aurangabad, wherein the Company's consent had been wrongly recorded for the appointment of a receiver. The Company thereafter filed Civil Writ Petition (L) No. 8044/2022 before the Bombay High Court, Aurangabad Bench against the appointment of Court Receiver and appraised the court that the Presiding officer of DRAT had excused himself in the matter and since then an alternate bench has still not been assigned. The Bombay High Court, Aurangabad Bench was pleased to direct the Registry of DRAT vide its order dated 29th March 2023 to file its report with respect to the appointment of an alternate bench.

The company has also challenged the award passed by the Arbitral Tribunal under Section 34 of Arbitration and Conciliation Act, 1996, passed in favor of Ask Energy, an Operational Creditor. In the meantime, Ask Energy has moved the execution petition before the Hon'ble High Court with a request to issue notice to Garnishee, Maharashtra State Electricity Development Corporation (MSEDCL) as well as Karkhana. On the directions of the Hon'ble High Court MSEDCL has deposited a sum of Rs 3.86 Cr under protest and the company has opposed the above execution petition at Hon'ble High Court.

The borrowing facility of the company has been marked as non-performing assets by the lenders, hence no interest has been debited by the lenders in the Loan Statements. The company has made provision for interest on the basis of the last sanction and last revision of terms. Therefore, the loan balances and finance cost are subject to confirmation and consequent reconciliation, if any. Recall notice date 27/09/2021 and 22/11/2021 were issued by the Lenders, Central Bank of India and Union Bank of India respectively vide which both the lenders recalled the entire outstanding amounts owed by the



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Company (Term loan and Cash credit) to which the company has suitably replied.

Also, both the lenders have jointly filed an Original Application No. 69/2021 before the DRT-II, New Delhi, against the Company and others for the enforcement of the claims of lenders against the Company, in respect of the Term Loan and Working Capital Loan sanctioned to the Company by the lenders. Ex Parte Order was passed by DRT II, Delhi with a direction to maintain status quo in respect of assets as per section 19 (4) of the Recovery of Debts and Bankruptcy Act 1993." The company has challenged the Order passed by DRT II, Delhi.

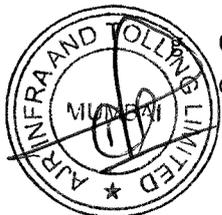
Also, on 9th March 2022 / 26th May 2022, Union Bank of India / Central Bank of India respectively affixed the impugned notice under Section 13(4) of the SARFAESI Act 2002 at the premises of the Company's Co-gen plant and taken symbolic possession. The Company has challenged both the notices in DRT, Mumbai. Both the matters are pending for filing replies by the Respondents. In the meantime, Lead bank Central Bank of India has moved ahead and issued notice for sale under Rule 8(6) of the Security Interest (Enforcement) Rules of SARFAESI Act, 2002 vide letter dated 16th February 2023. The Company filed an IA for Stay before DRT Mumbai and order dated 3rd March 2023 was passed by DRT that based on the submission of the Bank no bids were received and therefore Auction has failed.

An operational creditor of the Company had approached NCLT Mumbai against its outstanding dues and submitted its application under Insolvency and Bankruptcy code, 2016 in 2018. Though the company had cleared all the dues in the meantime, final order C.P.(IB)-2976(MB)/2018 dated 6th January,2023 was passed by Hon'ble NCLT Mumbai bench Court-II under Insolvency and Bankruptcy code, 2016 for admission of the petition and Interim Resolution Professional was appointed to carry the functions as mentioned under the Insolvency & Bankruptcy Code, 2016. The Company filed an Appeal in NCLAT on against the aforesaid impugned order and Hon'ble NCLAT wherein was pleased grant an interim stay vide order dated 3rd February,2023. The interim stay was further adjourned for 4 weeks from 28.03.2023.

The Credit facilities are marked as Non-Performing Assets. The use of coal as an alternate fuel has other issues of cost and operations. The lenders also are not providing any further funding for the procurement of the inventory for the running of the plant. All these conditions indicate a material uncertainty in the Company's ability to continue as a going concern. Also, Karkhana has taken illegal / unauthorized possession of the Plant and has been running the plant without authorization / consent of the Company. In view of the above situation, power generated for the period Jan 22 to till date exported to the Grid has not been accounted for as Revenue in the books of the Company. Similarly, Fuel (Bagasse) and electricity consumed at the Plant for the generation of power for the captioned period of Jan 22 till date has not been accounted as expense / Inventory in the books of accounts.

The management, however, is hopeful of resolving the issues and accordingly these financials are prepared on a going concern basis. In view of the multiple legal issues going on at various forums and the SPV still being not in possession of the Plant, the funded exposure of the Company in the SPV amounting to Rs 10,688.74 lacs has been provided in the books of accounts for the Quarter and nine months ended 31<sup>st</sup> December,2022 on a prudent basis.

Other Financial Assets includes Rs 1,514.01 lacs due from Western Coalfields Limited (WCL) on account of wrongful encashment of bank guarantee against which the Company has filed a suit for Recovery



# AJR INFRA AND TOLLING LIMITED

## (Formerly Gammon Infrastructure Projects Limited)

of damages. Subsequent to the encashment, the Company has filed an application for converting earlier injunction application to suit for recovery of damages. The Company has sought a legal opinion in this matter and has been advised that it has a good case for recovery of the amount. The Management is hopeful of getting favourable decision on the matter and recovery of damages based on legal advice on the matter. Pending the outcome, the Company has shown bank guarantee encashment amount as receivable from WCL. The next hearing on the matter is listed on April 19,2023

### 5. Material Uncertainty related to Going Concern

There is a continuing mismatch of cash flows including the dues to the subsidiary which are due for repayment pursuant to negotiation., The current liabilities are in excess of current assets by Rs. 1,47,459.85 lacs as at December 31, 2022. The liquidity crunch is affecting the Company's operation with increasing severity. Further, various projects of the Company as stated in detail in Note 4 above are under stress and the outcome of the continuance of these projects would be dependent upon favorable decision being received by the Management on the outstanding litigations. The resolutions planned by the Management are pending since a long time and are not concluding in favor of the Company.

The Management, however, is confident that the going concern assumption and the carrying values of the assets and liabilities in these Standalone Financial Results are appropriate. Accordingly, the Financial Statements do not include any adjustments that may result from these uncertainties.

### 6. Exceptional items (Expenses)/income

Particulars	Quarter ended December 31, 2022 (Rs in Lacs)	Quarter ended September 31, 2022 (Rs in Lacs)	Nine Months ended December 31,2022 (Rs. in lacs)	Quarter ended. March 31, 2022 (Rs in Lacs)
Terminated project net balances written (off)/back	-	-		2,959.28
Provision for impairment of receivables	(47.88)	(48.12)	(82,332.88)	(30,952.55)
Provision for impairment of investment	(3.00)	(93.00)	(45,520.95)	(25,271.87)
Settlement of claim	-	-		(4,000.00)
<b>Total</b>	<b>(50.88)</b>	<b>(141.12)</b>	<b>(1,27,853.83)</b>	<b>(57,265.14)</b>

Exceptional items include the following –

**For the Nine months ended December 31,2022**

- a) Rs. 1,08,190.66 lakhs towards funded exposure under various head relating to RGBL.
- b) Rs. 8,974.43 lakhs towards funded exposure under various head relating to SHVPL.
- c) Rs. 10,688.74 lakhs towards funded exposure under various head relating to PREL.



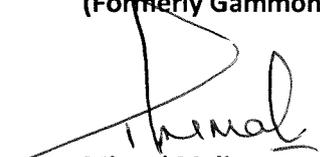
# AJR INFRA AND TOLLING LIMITED

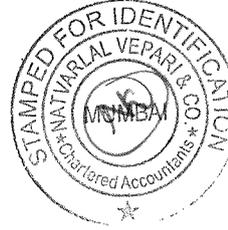
## (Formerly Gammon Infrastructure Projects Limited)

For the quarter and year ended March 31,2022

- a) Rs. 51,855.21 Lacs relating to write off of balances of the project being executed of the SPV SSRPL, write back of deferred income relating to the said project, Impairment of receivables from SSRPL and impairment of investment in SSRPL.
  - b) Rs. 600 Lacs relating to impairment of investments made towards the project SHVPL.
  - c) Rs. 809.93 Lacs relating to impairment of investments made towards the associate VSPL.
  - d) Rs. 4,000 Lacs relating to liability made towards settlement of claims arising out of arbitration proceedings.
7. The Company's operations constitute a single segment namely "Infrastructure Development" as per IND AS 108 - Operating Segments. Further, the Company's operations are within single geographical segment, which is India.
8. Figures for previous period have been regrouped / reclassified wherever necessary to conform to the current period's presentation.

For AJR Infra and Tolling Limited  
(Formerly Gammon Infrastructure Projects Limited)

  
**Mineel Mali**  
Whole-Time Director  
DIN: 06641595  
Place: Mumbai  
Date: April 19, 2023



# ***Natvarlal Vepari & Co.***

**CHARTERED ACCOUNTANTS**

903-904, 9th Floor, Raheja Chambers, 213, Nariman Point, Mumbai-400 021. Tel : 67527100 Fax : 6752 7101 E-Mail : nvc@nvc.in

## **Independent Auditor's Limited Review Report on unaudited standalone financial results for the quarter and nine months ended December 31, 2022, of AJR Infra and Tolling Limited (Formerly known as Gammon Infrastructure Projects Limited) pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

To  
The Board of Directors  
AJR Infra and Tolling Limited  
(Formerly known as Gammon Infrastructure Projects Limited),  
Mumbai.

1. We have reviewed the accompanying statement of unaudited standalone financial results (the "Statement") of AJR Infra and Tolling Limited (Formerly known as Gammon Infrastructure Projects Limited) ("the Company") for the quarter and nine months ended December 31, 2022, attached herewith, being submitted by the Company pursuant to Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015, as modified by Circular No. CIR / CFD / FAC / 62 / 2016 dated July 5, 2016. These results are prepared for the purpose of compliance with the Listing Obligations and Disclosure Requirements. This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors.
2. This Statement has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard (Ind AS 34) "Interim Financial Reporting" prescribed under section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatements. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

#### **4. Basis of Qualified Conclusion**

- (a) Attention is invited to Note 3 (a) of the Statement in respect of PHPL where the CIRP proceedings had been initiated. NCLT has approved the resolution plan vide order dated May 10, 2022 submitted by Resolution Professional and as per the NCLT Order no surplus is available to the Company. The Company has filed an appeal in NCLAT against the NCLT order and expects favourable outcome on the matter. Pending the outcome, no impairment has been done by the Management against the funded exposure. On accounts of the facts stated above and in Note 3(a), there is possible impairment towards the exposure of the company in the SPV of Rs. 1,40,318.70 lacs unless the Management receives a



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favourable order in its appeal before the NCLAT.

- (b) Attention is invited to Note 4(a) of the Statement, relating to the Project in the SPV; Indira Container Terminal Pvt Ltd. There exists material uncertainty relating to the future of the Project where the exposure of the Company in the SPV / project is Rs. 13,246.76 lacs. The draft settlement agreement between the SPV, Ministry of Shipping (MoS), Mumbai Port Trust (MbPT) has been rejected by MbPT. The Company and the SPV are in discussion with MbPT and MoS to reconsider the Project. The credit facility is marked as NPA by the Lenders. The SPV and MbPT have initiated arbitration proceedings which are in progress. The MBPT has requested for conciliation proceedings which are also under active discussions. Pending conclusion of matters of material uncertainty related to the Project and decision of the OTS by the lenders not being concluded, we are unable to comment whether any provision is required towards possible impairment towards the said exposure.
- (c) We invite attention to Note 4(g) of the Statement, wherein Western Coalfields Limited (WCF) had encashed Bank Guarantee amounting Rs 1,514.01 lacs given in favour of Aparna Infraenergy India Private Limited (one of the SPV's sold to BIF India Holding Pte Ltd on February 29, 2016) in earlier years. Subsequent to encashment the Company has filed an application for converting earlier injunction application to suit for recovery of damages. The Management is hopeful of getting favourable decision on the matter and recovery of damages based on legal advice on the matter. Pending the outcome, the Company has shown guarantee encashment amount as receivable from Western Coal Fields. We are unable to state whether the same will be recovered as the litigation is pending since a long period and consequently whether impairment of this receivable is to be done.

## **5. Qualified Conclusion**

Except for the possible effects arising out of the matters mentioned in our basis of qualified conclusion mentioned hereinabove, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with applicable Indian Accounting Standards as specified under section 133 of the Companies Act, 2013, read with rule 7 of the Companies (Accounts) Rules, 2014 and other recognized accounting practices and policies, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI circular bearing nos. Circular No. CIR / CFD / CMD / 15 / 2015 dated November 30, 2015 and CIR / CFD / FAC / 62 / 2016 dated July 5, 2016 including the manner in which it is to be disclosed, or that it contains any material misstatement.

## **6. Material Uncertainty relating to Going Concern.**

We invite attention to Note 5 of the Statement relating to material uncertainty relating to going concern. The Company's current liabilities exceeded current assets significantly and are at Rs. 1,47,459.85 lacs. There is a continuing mismatch including defaults in payment of its financial obligations to its subsidiary Company. The liquidity crunch is affecting the Company's operation with increasing severity. We also invite attention to note 4 of the Statement wherein status of various SPV projects which are stressed due to delay in completion, cost overrun, liquidity crunch and have legal issues, arbitration proceedings or negotiations. The future of these projects as also the successful progress and completion depends on favourable



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decisions on outstanding litigations being received by the Management. The resolutions planned by the Management are pending since a long time and are not concluding in favour of the Company. These conditions indicate the existence of Material Uncertainty which may impact the Company's ability to continue as a going concern. Our report is not qualified on this matter.

## 7. Emphasis of Matter

Without qualifying our Conclusion, we draw attention to the following matters.

- a) We invite attention to Note 4 (c) of the Statement, regarding unilateral termination and closure of Concession in a bridge project, which is subject to pending litigations / arbitrations at various forums, which may impact the carrying values of investments and loans and advances given to the subsidiary. The Company's exposure towards the said project (funded) is Rs. 2,379.22 lacs. Pending conclusion on these legal matters, no adjustments have been made in the financial statements.
- b) We invite attention to Note 4 (d) of the Statement, in relation to intention to exit one of the hydro power projects at Himachal Pradesh and seeking a claim of an amount against the amount spent on the Project. The Company's subsidiary has cited reasons for non-continuance on account of reasons beyond its control. The matter was under arbitration and the Arbitral Award was pronounced by the Hon'ble Tribunal on 23rd January 2023 in favour of the SPV. As detailed in the note the share of award in favor of the SPV is expected to be in excess of exposure of Rs. 7,124.29 lacs. We have relied on the management assertion in this matter.

## 8. Other Matter

The standalone financial results for the comparative period quarter and nine months ended on December 31,2021 and year ended on March 31,2022, included in the enclosed statement, are based on published financial results for the respective period as reviewed by M/s. Nayan Parikh & Co., Chartered Accountants, vide their modified limited review report dated February 28,2022 and modified audit report dated September 01,2022 respectively.

For Natvarlal Vepari & Co.  
Chartered Accountants  
Firm Registration No. 106971W



Nuzhat Khan

Partner

M. No. 124960

Mumbai, Dated: - April 19, 2023

UDIN: 23124960BGVG CN 1125



# AJR INFRA AND TOLLING LIMITED

## (Formerly Gammon Infrastructure Projects Limited)

Statement of Consolidated Financial Results for the quarter and nine months ended December 31, 2022

(Rs.in Lacs)

Sr No.	Particulars	Quarter ended			Nine months ended		Year ended
		31-Dec-22	30-Sep-22	31-Dec-21	31-Dec-22	31-Dec-21	31-Mar-22
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	Revenue from Operations	1,614.63	1,209.29	4,109.74	4,013.85	16,596.21	17,825.25
2	Other Income:	221.77	199.73	322.90	589.18	2,169.54	2,393.65
3	<b>Total Income</b>	<b>1,836.40</b>	<b>1,409.02</b>	<b>4,432.64</b>	<b>4,603.03</b>	<b>18,765.75</b>	<b>20,218.90</b>
4	<b>Expenses:</b>						
	Project expenses	-	-	888.14	-	5,595.35	5,606.56
	Purchase of traded goods	-	-	160.65	-	393.05	393.05
	Changes in inventory	-	-	320.62	-	562.50	582.21
	Employee benefit expenses	96.16	97.72	200.35	291.13	953.76	1,060.67
	Depreciation & amortization	1,274.63	1,274.60	1,469.86	3,810.13	5,897.02	7,144.67
	Finance Costs	7,148.57	6,960.69	6,432.12	20,748.81	19,887.76	26,131.94
	Other expenses	825.09	702.48	1,914.94	2,247.69	4,428.50	4,325.67
	<b>Total Expenditure</b>	<b>9,344.45</b>	<b>9,035.49</b>	<b>11,386.68</b>	<b>27,097.76</b>	<b>37,717.94</b>	<b>45,244.77</b>
5	<b>Profit / (Loss) before share of profit / (loss) of an associate / a joint venture and exceptional Items</b>	<b>(7,508.05)</b>	<b>(7,626.47)</b>	<b>(6,954.04)</b>	<b>(22,494.73)</b>	<b>(18,952.19)</b>	<b>(25,025.87)</b>
6	Share of profit / (loss) of an associate and joint venture	(15.48)	174.22	78.71	432.30	122.94	263.35
7	<b>Profit / (Loss) before exceptional Item and tax</b>	<b>(7,523.53)</b>	<b>(7,452.25)</b>	<b>(6,875.33)</b>	<b>(22,062.43)</b>	<b>(18,829.25)</b>	<b>(24,762.52)</b>
8	Exceptional items Income / (Expense)	(50.87)	(141.12)	-	(1,27,853.82)	-	(70,382.22)
9	<b>Profit / (loss) before tax</b>	<b>(7,574.40)</b>	<b>(7,593.37)</b>	<b>(6,875.33)</b>	<b>(1,49,916.25)</b>	<b>(18,829.25)</b>	<b>(95,144.74)</b>
10	<b>Tax expenses</b>						
	Current Tax	-	-	19.38	0.07	101.38	102.29
	Short Provision for Tax	-	-	-	0.00	-	3.31
	Deferred Tax Liability / (asset)	75.75	70.26	129.51	209.81	416.16	494.36
	<b>Total tax expenses</b>	<b>75.75</b>	<b>70.26</b>	<b>148.89</b>	<b>209.88</b>	<b>517.54</b>	<b>599.96</b>
11	<b>Profit/(Loss) for the period</b>	<b>(7,650.15)</b>	<b>(7,663.63)</b>	<b>(7,024.21)</b>	<b>(1,50,126.13)</b>	<b>(19,346.79)</b>	<b>(95,744.70)</b>
	Less - Share of Non Controlling Interest (NCI)	(940.83)	(974.32)	(861.30)	(2,841.68)	(2,524.77)	(3,409.36)
12	<b>Net Profit/(Loss) after Share of NCI</b>	<b>(6,709.32)</b>	<b>(6,689.31)</b>	<b>(6,162.92)</b>	<b>(1,47,284.45)</b>	<b>(16,822.02)</b>	<b>(92,335.34)</b>
13	<b>Other Comprehensive Income</b>						
	Remeasurement of defined benefit plans	-	-	-	-	-	4.17
	<b>Other comprehensive income / (loss) for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4.17</b>
14	<b>Total Comprehensive income/(loss) for the period</b>	<b>(6,709.32)</b>	<b>(6,689.31)</b>	<b>(6,162.92)</b>	<b>(1,47,284.45)</b>	<b>(16,822.02)</b>	<b>(92,331.17)</b>
	<b>Other Comprehensive Income attributable to:</b>						
	Owners of the Company	-	-	-	-	-	3.69
	Non-Controlling Interest	-	-	-	-	-	0.47
	<b>Total Comprehensive Income attributable to:</b>						
	Owners of the Company	(6,709.32)	(6,689.31)	(6,162.91)	(1,47,284.45)	(16,822.02)	(92,331.64)
	Non-Controlling Interest	(940.83)	(974.32)	(861.30)	(2,841.68)	(2,524.77)	(3,408.89)
	Earnings per equity share [nominal value of share Rs. 2/-]						
	Basic (Rs.)	(0.71)	(0.71)	(0.65)	(15.64)	(1.78)	(9.80)
	Diluted (Rs.)	(0.71)	(0.71)	(0.65)	(15.64)	(1.78)	(9.80)

For and on behalf of the Board of Directors of  
AJR Infra and Tolling Limited  
(Formerly Gammon Infrastructure Projects Limited)

  
Mineel Mali  
Whole-Time Director  
DIN: 06641595  
Place: Mumbai  
Mumbai: Dated, April 19, 2023



# AJR INFRA AND TOLLING LIMITED

## (Formerly Gammon Infrastructure Projects Limited)

Notes:

1. The above unaudited Consolidated Financial Results for the quarter and nine months ended 31<sup>st</sup> December 2022 as reviewed by the Audit Committee, were approved, and taken on record by the Board of Directors in their meeting held on 19<sup>th</sup> April, 2023. The statutory auditors have carried out a limited Review of the Consolidated Financial Results and have issued their modified report thereon.
2. The above financial results are prepared in accordance with the Indian Accounting Standards (Ind-AS) as prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India.
3. These Consolidated Financial Results do not include the results for the quarter and nine months ended December 31, 2022 of Sony Money Developers Private Limited (The step-down subsidiary) acquired during the quarter ended June 30, 2022 on account of the financial results of the Subsidiary not being available to the Group. This is due to non-availability of the relevant data required for the purposes of converting the financial statements to be compliant with IND AS (Companies (Indian Accounting Standards) Rules, 2015), from the previous owners of the SPV, the group is unable to prepare the financial statements of the step down subsidiary for the purpose of consolidation.
4. During the previous periods, in respect of 2 (two) of its subsidiary companies, Corporate Insolvency Resolution Proceedings (CIRP) were initiated by financial creditors of the respective subsidiaries by filing a petition before the Hon'ble National Company Law Tribunal (NCLT). The NCLT admitted the petition and accordingly, the Boards of the respective subsidiaries were superseded, and Interim Resolution Professional / Resolution Professional (RP) were appointed. Accordingly, the Company namely, AJR Infra and Tolling Limited (Formerly Gammon Infrastructure Projects Limited (GIPL)) lost control over these 2 subsidiaries. These equity instruments presently are carried at Fair Value through Profit & Loss. The book value of these investments is considered as fair value since the valuation reports are yet to be received and accepted by the company. The subsidiaries are.
  - a. Patna Highway Projects Limited (PHPL): One of the Lender i.e., Corporation Bank (merged with Union Bank of India w.e.f. 1st April 2020) had filed an application under the provisions of Insolvency and Bankruptcy Code, 2016 (IBC) with NCLT which had been admitted and an Interim Resolution Professional (IRP) had been appointed on 7th January 2020. The Net exposure of the Group is Rs. 1,40,318.70 lacs (funded and non-funded). The valuation exercise has been concluded by the Resolution Professional (RP) for the determination of surplus available to the Equity holders after settlement of the creditor's dues. However due to the non-availability of the valuation report, the extent of impairment required in the books of accounts of the Company cannot be assessed and will be dependent on the receipt of valuation report and its acceptance by the Company. The Corporate Guarantee provided by the Company continues to be shown as contingent liability.

Resolution Plan submitted by Silver Point has been accepted by the COC/ RP against which the Company had filed an intervention application before NCLT, which has since been rejected by Hon'ble NCLT. The NCLT vide order dated May 10, 2022, has approved the resolution plan. The Company has filed an appeal on 13th July 2022 against the impugned order in NCLAT. Respondents filed their replies, and we filed our rejoinders on 21.02.2023. The matters have been adjourned to April 20, 2023.

- b. Rajahmundry Godavari Bridge Limited (RGBL): One of the Consortium Banks of RGBL had initiated and filed an application under the provisions of Insolvency and Bankruptcy Code, 2016 (IBC) with NCLT. The Hon'ble NCLT had passed an order dated 27th February 2020 admitting the matter to Corporate Insolvency Resolution Process (CIRP) under the IBC and appointing an Interim Resolution Professional (IRP) on 27th February 2020. The IRP has been replaced with a new Resolution



# AJR INFRA AND TOLLING LIMITED

## (Formerly Gammon Infrastructure Projects Limited)

Professional (RP) pursuant to the Hon'ble NCLT order dated August 21, 2020, which was issued on September 08, 2020, based on an application filed by the Committee of Financial Creditors / Lenders and the new RP has taken charge of RGLB from the erstwhile IRP and the Project. The valuation exercise has been concluded by the Resolution Professional (RP) for the determination of surplus available to the Equity holders after settlement of the creditor's dues. However due to the non-availability of the valuation report, the extent of impairment required in the books of accounts of the Company cannot be assessed and will be dependent on the receipt of valuation report and its acceptance by the Company.

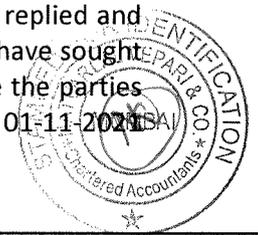
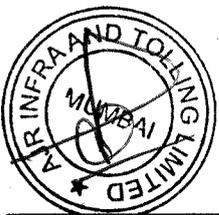
The Company had filed an Intervention Application at Hon'ble NCLT being aggrieved by the rejection of COC to consider the proposal dated 24.02.2022 of the applicant under section 12A of IBC. The matter was listed on 7th June, 2022 for admission of the petition. The Hon'ble Members were pleased to direct the RP to file reply to the subject IA and further stated that upon approval of the resolution plan by the CoC, application under section 12A is not maintainable. At the next hearing dated 21st June, 2022 the company requested for time to file an affidavit in rejoinder to the reply filed by the Resolution Professional. Resolution Plan submitted by M/s. Prakash Asphaltings & Toll Highways (India) Limited has been accepted by the COC/ RP against which the company had filed an intervention application before NCLT, challenging the Resolution Plan, which has since been rejected by Hon'ble NCLT. The NCLT vide order dated August 10, 2022, has approved the resolution plan. The company has filed an appeal against the impugned order in NCLAT which is pending admission. Since the matter has not progressed as expected and the appeal in NCLAT is yet to get listed the company has made a provision in the books of accounts for the Quarter and nine months ended December 31, 2022 towards its entire funded exposure in the SPV amounting to Rs.1,08,190.66 lacs on a prudent basis.

5. **Project related notes:** In respect of the following projects / Special Purpose Vehicles (SPVs) of the Group there are legal issues, arbitration proceedings or negotiations with the Concession Grantor for which the Management is taking necessary steps to resolve the matters:

- a. Container Terminal at Mumbai: The Project was delayed due to non-fulfilment of certain obligations by the Mumbai Port Trust (MbPT) under the License Agreement (LA) signed by the SPV with MbPT. The Roll-On-Roll-Off (RORO) operations was allowed by MbPT as an interim measure for alternate use of the 2 (two) berths for a mix of cargo of container, steel and RORO and is still continuing. However, the revenue generated through alternative use is inadequate for repayment of principal and interest of the Lenders and the credit facility account was declared NPA (Non-Performing asset) by the Lenders of the SPV. The SPV has issued a Dispute Notice for the Licensor's Event of Default against MbPT and called upon the Licensor to refer the disputes for amicable settlement under the LA and the matter is pending with MbPT. A petition was filed by the SPV under section 9 and an application under section 11 of the Arbitration and Conciliation Act, 1996 was also filed where in Order dated 1st August 2019 is passed and interim protection by way of prayer is allowed for carrying ad-hoc RORO operations.

The SPV and the MBPT have nominated their arbitrators and they in turn have jointly appointed the Presiding Arbitrator/Umpire arbitrator and accordingly, the Arbitral Tribunal (AT) is formed. The SPV has duly filed its Statement of Claim (SOC) against MbPT for an amount of Rs. 296,736 lacs on 8th November 2019. MbPT has filed their Statement of Defense (SOD) and filed their Counter Claim of Rs 240,000 lacs with the Tribunal.

In the meantime, MbPT has sent letters dated May 28, 2021 / October 08, 2021, and invited ICTPL for a settlement of all disputes raised with the Arbitral Tribunal, to which ICTPL has replied and given their concurrence and the process is under active discussion. Both the parties have sought permission to keep the ongoing arbitration in abeyance for the next 6 months since the parties have started conciliation proceedings. A virtual hearing was held by the Tribunal on 01-11-2021.





# AJR INFRA AND TOLLING LIMITED

## (Formerly Gammon Infrastructure Projects Limited)

Company is exploring options to find an amicable resolution for the Project. Meanwhile, the company has also invoked the Arbitration process vide letter dated 22<sup>nd</sup> February, 2021 and a 3-member Arbitration Tribunal has been constituted. Two virtual hearings were held and the SPV has submitted its Statement of claims amounting to Rs 284,804.32 Lacs to the Arbitral Tribunal on 8<sup>th</sup> September, 2021 as per its procedural order dated 2nd June, 2021 / extensions granted thereunder. The respondents have also filed their SOD. The SPV has duly replied to the SOD and counter claim filed by MPRDC and also filed rejoinder to the written statement. In the previous hearings, the order was pronounced with a decision that MORTH should be a party to the arbitration proceedings.

In the meantime, the Arbitrator nominated by the SPV has excused himself from the Arbitration due to an age ailment. Accordingly, SPV is seeking a replacement for the said Arbitrator. In view of the issues and problems associated with the progress of the project including the final notice to terminate the project and subsequent developments in various arbitration hearings as detailed above the Company on a prudent basis has made provision for impairment of Intangible asset under development amounting to Rs 65,572.29 lacs and shown the same as exceptional item during the year ended March 31, 2022. The auditor of the SPV has highlighted material uncertainty regarding going concern issue in their audit report for the quarter and nine months ended December 31, 2022.

- c. Bridge project at Cochin - The Greater Cochin Development Authority (GCDA) has sought to end the toll collection by unilaterally sealing the toll booth. Cochin Bridge Infrastructure Company Limited (SPV) has initiated an arbitration / settlement process. The SPV has also in parallel filed a writ in the matter before the Hon'ble Kerala High Court for specific performance. However, the Government of Kerala approached the Hon'ble High Court for further extension of time and the Court granted extension to settle the matter, after which the SPV has filed amended plaint. The said SPV pursuant to the assurance given by GCDA and State Government filed a fresh writ petition for directions to GCDA to pay the dues of SPV. The arbitration process was kept in abeyance. Matter was last listed on 10<sup>th</sup> July 2019 wherein it was argued and after considering the points of arguments, the Hon'ble High Court passed the orders that the writs petition stands dismissed with reserving the liberty to seek appropriate resolution before the Arbitral Tribunal. The SPV is the process of re-constituting the Arbitral Tribunal and has intimated GCDA vide its letter dated 3<sup>rd</sup> January 2020 for revival of the Arbitration proceedings and to appoint their nominee arbitrator. Since, GCDA is neither responding nor appointing its nominee arbitrator, the SPV has filed an application under section 11 & section 14 of the Arbitration and Conciliation Act with the Hon'ble Kerala High Court and duly informed that they have nominated their new arbitrator with regard reconstitution of the Ld. Arbitral Tribunal. The matter was listed on 21<sup>st</sup> June 2022 whereby the Hon'ble Kerala High Court appointed the sole arbitrator to adjudicate the disputes. Statement of Claim and Statement of defense has been filed by both the Parties. The parties have filed rejoinder on March 18, 2023. The last hearing was held on April 13, 2023 on which issues were framed and now argument would start. The next date is yet to be listed. The exposure of the Group in the SPV is Rs 1,787.13 lacs (funded and non-funded).
- d. Hydro power project at Himachal Pradesh - the Project is stalled due to local agitation relating to environment issues. The SPV has received a letter from the Government of Himachal Pradesh (GoHP), to discuss the matter mutually towards amicable resolution. After the SPV invoked arbitration on 19th February 2018, the arbitration is concluded, and the Arbitral Award was pronounced by the Hon'ble Tribunal on 23<sup>rd</sup> January 2023 in favour of the SPV. The amount of award due to the SPV is expected to be in excess of exposure of Rs. 6,784.37 lacs of the Group and therefore the management does not expect any impairment towards the exposure. The Management is hopeful of an early settlement in the matter and is confident of recovering the amount of exposure.



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- e. The Company has incorporated a SPV for developing Rangit-II Hydroelectric Power Project in Sikkim on Build, Own, Operate and Transfer (BOOT) basis. The Project involves the development of a 66 MW run-of-the-river Hydroelectric Power Project on Rimbi river, a tributary of river (COD). The Project is presently in a state of limbo pending the signing of the PPA and achieving financial closure. The Management is of the view that the present situation in the power business is temporary and does not foresee any need for impairment. The exposure of the group in the SPV is Rs. 10,924.28 lacs.

The matter before NCLT of one of the operational creditors of the SPV has been settled favorably in favor of the Group.

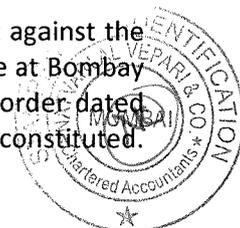
Post withdrawal of the CIRP proceedings, the company has been in discussion with buyers for Sale or otherwise dilution of Company's investment in the SPV and have also obtained in principal approval vide special resolution at the EGM dated 12th August, 2022. Subsequently the Company has entered into a Share Purchase agreement for an aggregate consideration of Rs. 90 crores. The exposure of the Company to the SPV is Rs. 8,974.43 lacs (net of impairment already done). There are some conditions precedents which are yet to be fulfilled as on date. Though the company has been actively pursuing the matter, there have been delays in completing some of the condition's precedent to the agreement with the prospective buyer, due to which the transaction has been kept on hold. The company management is hopeful of a timely resolution of this matter. In view of the uncertainty associated with the agreement with the prospective buyer, the company has made provision in the books of accounts for the Quarter and nine months ended 31<sup>st</sup> December, 2022 towards its exposure in the SPV amounting to Rs. 8,974.43 lakhs on a prudent basis in its standalone financial results which has been adjusted against the Capital Work in Progress in these consolidated financial results.

- f. Pravara Renewable Energy Limited (SPV of the company) - Pravara has entered into a Project Development Agreement (PDA) with Karkhana (Padmashri Dr. Vithalrao Vikhe Patil Sahakari Sakhar Karkhana Limited) for the development of a 30 MW Cogeneration Project on Build-Own-Operate-Transfer (BOOT) basis. The Concession period is 25 years from Commercial Operation Date (COD).

The viability of the project and the ability to continue as a going concern depends upon the ability of the Company to procure Bagasse/ alternate Fuel at a viable price either from Karkhana under the arrangement to supply them power in return or from the open Market. In view of the pending settlement between the Company and Karkhana, the availability of adequate Bagasse to run the plant at optimum capacity is a matter of significant uncertainty.

The company had filed an application under Sec 9 of Arbitration and conciliation Act, 1996 against Karkhana seeking interim reliefs which was heard by Hon'ble High Court on 30th October 2021 and adjourned to 22nd November 2021 for filing reply. The Single Judge of the Hon'ble Bombay High Court, after elaborately dealing with the contentions of both the parties, passed an Order dated 11th April 2022 to restrain Karkhana and any representative acting on behalf of the Karkhana, from entering the premises of the Co-generation Plant pending the hearing/final disposal and until final execution of the Arbitral Award. Subsequently, on 2nd May, 2022, after dealing with the submissions of Karkhana's appeal and contentions of both the parties, Division Bench of the Hon'ble Bombay High Court had admitted the Karkhana's appeal filed under section 37 of the Arbitration & Conciliation Act ("the Act"), and granted stay of the Order dated 11th April, 2022 passed by the Single Judge in Commercial Arbitration Petition (L.) No. 23525 of 2021 (filed under Section 9 of the Act by the Petitioner).

The Company subsequently filed Special Leave Petition (SLP) in the Supreme Court against the impugned Order dated 2nd May 2022 passed by the Hon'ble High Court of Judicature at Bombay and after hearing both the parties, Supreme Court had directed the Company vide order dated 20th May 2022 to approach Arbitration Tribunal for relief since the tribunal is constituted.



# **AJR INFRA AND TOLLING LIMITED**

## **(Formerly Gammon Infrastructure Projects Limited)**

Accordingly, PREL has filed its relief application under Sec 17 of Arbitration and conciliation Act, 1996 on 18th July 2022 against Karkhana before the Arbitral Tribunal.

In the meantime, Karkhana approached Debts Recovery Tribunal, Aurangabad and the matter was listed with objections on the maintainability and the Interlocutory application No 1239/2021 for seeking certain directions for stay. On 29th December 2021, Hon'ble DRT Aurangabad, without issuing any notice to the Company, passed an Ex-party order of "Status quo" and granted the liberty to the Karkhana to settle the matter with the Lenders. The Company had challenged the said Ex-party Order before the Hon'ble DRAT, Mumbai. Subsequently, by virtue of order dated 8th September 2022 the court receiver has been appointed by DRT Aurangabad, wherein the Company's consent had been wrongly recorded for the appointment of a receiver. The Company thereafter filed Civil Writ Petition (L) No. 8044/2022 before the Bombay High Court, Aurangabad Bench against the appointment of Court Receiver and appraised the court that the Presiding officer of DRAT had excused himself in the matter and since then an alternate bench has still not been assigned. The Bombay High Court, Aurangabad Bench was pleased to direct the Registry of DRAT vide its order dated 29th March 2023 to file its report with respect to the appointment of an alternate bench.

The company has also challenged the award passed by the Arbitral Tribunal under Section 34 of Arbitration and Conciliation Act, 1996, passed in favor of Ask Energy, an Operational Creditor. In the meantime, Ask Energy has moved the execution petition before the Hon'ble High Court with a request to issue notice to Garnishee, Maharashtra State Electricity Development Corporation (MSEDCL) as well as Karkhana. On the directions of the Hon'ble High Court MSEDCL has deposited a sum of Rs 3.86 Cr under protest and the company has opposed the above execution petition at Hon'ble High Court.

The borrowing facility of the company has been marked as non-performing assets by the lenders, hence no interest has been debited by the lenders in the Loan Statements. The company has made provision for interest based on the last sanction and last revision of terms. Therefore, the loan balances and finance cost are subject to confirmation and consequent reconciliation, if any. Recall notice date 27/09/2021 and 22/11/2021 were issued by the Lenders, Central Bank of India and Union Bank of India respectively vide which both the lenders recalled the entire outstanding amounts owed by the Company (Term loan and Cash credit) to which the company has suitably replied.

Also, both the lenders have jointly filed an Original Application No. 69/2021 before the DRT-II, New Delhi, against the Company and others for the enforcement of the claims of lenders against the Company, in respect of the Term Loan and Working Capital Loan sanctioned to the Company by the lenders. Ex Parte Order was passed by DRT II, Delhi with a direction to maintain status quo in respect of assets as per section 19 (4) of the Recovery of Debts and Bankruptcy Act 1993." The company has challenged the Order passed by DRT II, Delhi.

Also, on 9th March 2022 / 26th May 2022, Union Bank of India / Central Bank of India respectively affixed the impugned notice under Section 13(4) of the SARFAESI Act 2002 at the premises of the Company's Co-gen plant and taken symbolic possession. The Company has challenged both the notices in DRT, Mumbai. Both the matters are pending for filing replies by the Respondents. In the meantime, Lead bank Central Bank of India has moved ahead and issued notice for sale under Rule 8(6) of the Security Interest (Enforcement) Rules of SARFAESI Act, 2002 vide letter dated 16th February 2023. The Company filed an IA for Stay before DRT Mumbai and order dated 3rd March 2023 was passed by DRT that based on the submission of the Bank no bids were received and therefore Auction has failed.



# AJR INFRA AND TOLLING LIMITED

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An operational creditor of the Company had approached NCLT Mumbai against its outstanding dues and submitted its application under Insolvency and Bankruptcy code, 2016 in 2018. Though the company had cleared all the dues in the meantime, final order C.P.(IB)-2976(MB)/2018 dated 6th January,2023 was passed by Hon'ble NCLT Mumbai bench Court-II under Insolvency and Bankruptcy code, 2016 for admission of the petition and Interim Resolution Professional was appointed to carry the functions as mentioned under the Insolvency & Bankruptcy Code, 2016. The Company filed an Appeal in NCLAT on against the aforesaid impugned order and Hon'ble NCLAT wherein was pleased grant an interim stay vide order dated 3rd February,2023. The interim stay was further adjourned for 4 weeks from 28<sup>th</sup> March,2023.

The Credit facilities are marked as Non-Performing Assets. The use of coal as an alternate fuel has other issues of cost and operations. The lenders also are not providing any further funding for the procurement of the inventory for the running of the plant. All these conditions indicate a material uncertainty in the Company's ability to continue as a going concern. Also, Karkhana has taken illegal / unauthorized possession of the Plant and has been running the plant without authorization / consent of the Company. In view of the above situation, power generated for the period Jan 22 to till date exported to the Grid has not been accounted for as Revenue in the books of the Company. Similarly, Fuel (Bagasse) and electricity consumed at the Plant for the generation of power for the captioned period of Jan 22 to till date not been accounted as expense / Inventory in the books of accounts.

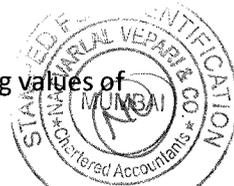
The management, however, is hopeful of resolving the issues and accordingly these financials are prepared on a going concern basis. The exposure of the group in the SPV is Rs 18,023.79 lacs. In view of the multiple legal issues going on at various forums and the SPV still being not in possession of the Plant, the funded exposure of the Company in the SPV amounting to Rs 10,688.74 lacs has been provided in the Standalone financial results for the Quarter and nine months ended 31<sup>st</sup> December,2022 on a prudent basis. This has been adjusted against the carrying value of Property, Plant and Equipment in these consolidated financial results leaving an unprovided exposure of Rs. 7335.05 lakhs.

- g. Other Financial Assets includes Rs 1,514.01 lacs due from Western Coalfields Limited (WCL) on account of wrongful encashment of bank guarantee against which the Company has filed a suit for Recovery of damages. Subsequent to the encashment, the Company has filed an application for converting earlier injunction application to suit for recovery of damages. The Company has sought a legal opinion in this matter and has been advised that it has a good case for recovery of the amount. The Management is hopeful of getting favourable decision on the matter and recovery of damages based on legal advice on the matter. Pending the outcome, the Company has shown bank guarantee encashment amount as receivable from WCL. The next hearing on the matter is listed on April 19,2023.

### 6. Material Uncertainty related to Going Concern

There is a continuing mismatch of cash flows including the dues to the subsidiary which are due for repayment pursuant to negotiation. The current liabilities are in excess of current assets by Rs. 3,28,338.65 lacs. The liquidity crunch is affecting the Group's operation with increasing severity. The credit facility of the Group's is also marked as NPA. Further various projects of the Group as stated in detail in Note 5 above are under stress and the outcome of the continuance of these projects would be dependent upon favorable decision being received by the Management on the outstanding litigations. The resolutions planned by the management have been pending since a long time and are not concluding in favor of the Group.

The Management, however, is confident that the going concern assumption and the carrying values of



# AJR INFRA AND TOLLING LIMITED

## (Formerly Gammon Infrastructure Projects Limited)

the assets and liabilities in these Standalone Financial Statements are appropriate. Accordingly, the financial statements do not include any adjustments that may result from these uncertainties.

### 7. Exceptional items Expenses/(income)

Particulars	Quarter ended December 31, 2022 (Rs in Lacs)	Quarter ended September 30,2022 (Rs. In lacs)	Nine Months ended December 31,2022 (Rs. In lakhs)	March 31, 2022 (Rs in Lacs)
Impairment of Intangible asset under development	NIL	NIL	NIL	65,572.29
Provision for impairment of investment	NIL	NIL	29,841.50	809.93
Provision for impairment of receivable	NIL	(0.24)	78,349.16	NIL
Provision for impairment of Capital Work in Progress	3.82	95.29	8,974.43	NIL
Provision for Impairment of Property, Plant and Equipment	47.06	46.07	10,688.74	NIL
Settlement of claim	NIL	NIL	NIL	4,000.00
<b>Total</b>	<b>50.88</b>	<b>141.12</b>	<b>1,27,853.83</b>	<b>70,382.22</b>

For the nine months ended December 31,2022

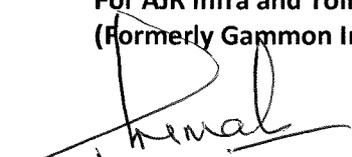
- Rs. 1,08,190.66 lakhs towards funded exposure under various heads relating to RGBL.
- Rs. 8,974.43 lakhs towards funded exposure under various head relating to SHVPL.
- Rs. 10,688.74 lakhs towards funded exposure under various head relating to PREL.

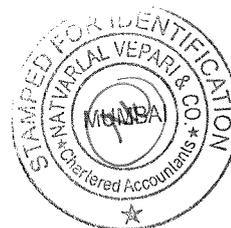
For the quarter and year ended March 31,2022

- Rs. 65,572.29 lacs relating to Impairment of intangible asset under development of the SPV SSRPL.
- Rs. 809.93 lacs relating to impairment of investments made towards the associate VSPL.
- Rs. 4,000 lacs relating to liability made towards settlement of claims arising out of arbitration proceedings.

- The Group's operations constitute a single segment, namely "Infrastructure Development" as per IND AS 108 - Operating Segments. Further, the Company's operations are within single geographical segment, which is India.
- Figures for the previous period have been regrouped / reclassified wherever necessary to conform to the current period's presentation.

For AJR Infra and Tolling Limited  
(Formerly Gammon Infrastructure Projects Limited)

  
Mineel Mali  
Whole-Time Director  
DIN: 06641595  
Place: Mumbai  
Date: April 19, 2023



# *Natvarlal Vepari & Co.*

CHARTERED ACCOUNTANTS

903-904, 9th Floor, Raheja Chambers, 213, Nariman Point, Mumbai-400 021. Tel : 67527100 Fax : 6752 7101 E-Mail : nvc@nvc.in

## **Independent Auditor's Limited Review Report on unaudited Consolidated financial results for the quarter and nine months ended December 31, 2022, of AJR Infra and Tolling Limited (Formerly known as Gammon Infrastructure Projects Limited) pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

To

The Board of Directors

AJR Infra and Tolling Limited

(Formerly known as Gammon Infrastructure Projects Limited),

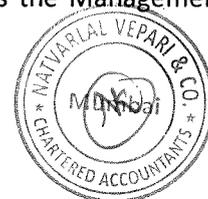
Mumbai.

1. We have reviewed the accompanying statement of unaudited Consolidated Financial Results ("Statement") of AJR Infra and Tolling Limited (Formerly known as Gammon Infrastructure project Limited) ("the Company") and its subsidiaries (the Company and its subsidiaries together referred to as "the Group"), its joint ventures and associates for the quarter and nine months ended December 31, 2022, attached herewith, being submitted by the Company pursuant to Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015, as modified by Circular No. CIR / CFD / FAC / 62 / 2016 dated July 5, 2016.
2. This Statement is the responsibility of the Company's Management. This Statement has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard (Ind AS 34) "Interim Financial Reporting" prescribed under section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatements. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

#### **4. Basis of Qualified Conclusion**

(a) Attention is invited to Note 4 (a) of the Statement in respect of PHPL where the CIRP proceedings had been initiated. NCLT has approved the resolution plan submitted by Resolution Professional and as per the NCLT Order no surplus is available to the Company. The Company has filed an appeal in NCLAT against the NCLT order and expects favourable outcome on the matter.

Pending the outcome, no impairment has been done by the Management against the funded exposure. On accounts of the facts stated above and note 4(a), there is possible impairment towards the exposure of the Group in the SPV of Rs. 1,40,318.70 lacs unless the Management receives a



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favourable order in its appeal before the NCLAT.

- (b) Attention is invited to Note 5 (a) of the Statement, relating to the Project in the SPV, Indira Container Terminal Pvt Ltd. There exists material uncertainty relating to the future of the Project where the exposure of the Group in the SPV / project is Rs. 51,678.63 lacs. The draft settlement agreement between the SPV, Ministry of Shipping (MoS), Mumbai Port Trust (MbPT) has been rejected by MbPT. The Company and the SPV are in discussion with MbPT and MoS to reconsider the Project. The credit facility is marked as NPA by the Lenders. The SPV and MbPT have initiated arbitration proceedings which are in progress. The MBPT has requested for conciliation proceedings which are also under active discussions. We as Statutory auditors of the SPV in our Limited review report also have qualified that we are unable to comment whether any provision is required towards the possible impairment of the project. Pending conclusion of matters of material uncertainty related to the Project and decision of the OTS by the lenders not being concluded, we are unable to comment whether any provision is required towards possible impairment towards the said exposure.
- (c) Attention is invited to Note 3 of the Statement, wherein these consolidated financial results do not include results for the quarter and nine months ended December 31,2022 of Sony Mony Developers Private Limited (The step-down subsidiary), acquired during the quarter ended June 30,2022, on account of the financial results of the Company not being available to the Company. The balance sheet size of this step-down subsidiary based on March 22 audited financial statements is Rs. 24,309.98 lakhs. In the absence thereof we are unable to state the impact on the consolidated financial results.
- (d) Attention is invited to Note 5 (f) of the Statement, wherein the Company has narrated the status of various arbitration proceedings being held at different levels of Court against the Karkhana and the illegal occupation of the facility by the Karkhana and unavailability and access to the records. Pending accounting in books of accounts and non-availability of sufficient and appropriate audit evidence in the form of revenue generated and fuel consumed for the period January 2022 till date and the outcome of the litigations, we are unable to comment on the impact of non- inclusion of the aforesaid transactions in these financial results. We are also unable to conclude on the impairment necessary towards the balance exposure of the group of Rs. 7335.05 lakhs on account of non-conclusion of the pending litigation.
- (e) We invite attention to Note 5(g) of the Statement, wherein Western Coalfields Limited (WCF) had encashed Bank Guarantee amounting Rs 1,514.01 lacs given in favour of Aparna Infraenergy India Private Limited (one of the SPV's sold to BIF India Holding Pte Ltd on February 29, 2016) in earlier years. Subsequent to encashment the Company has filed an application for converting earlier injunction application to suit for recovery of damages. The Management is hopeful of getting favourable decision on the matter and recovery of damages based on legal advice on the matter. Pending the outcome, the Company has shown guarantee encashment amount as receivable from Western Coal Fields. We are unable to state whether the same will be recovered as the litigation is pending since a long period and consequently whether impairment of this receivable is to be done.
5. The consolidated financial results of the Group include the results for the quarter and nine months ended December 31, 2022, of the companies listed in Annexure A to this report which are consolidated in



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accordance with the requirements of the Companies (Indian Accounting Standards) Rules 2015 specified under Section 133 of the Companies Act 2013 and the relevant rules thereon.

## **6. Qualified Conclusion**

Except for the possible effects arising out of the matters mentioned in our basis of qualified conclusion mentioned hereinabove, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with applicable Indian Accounting Standards as specified under section 133 of the Companies Act, 2013, read with rule 7 of the Companies (Accounts) Rules, 2014 and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI circular bearing nos. Circular No. CIR / CFD / CMD / 15 / 2015 dated November 30, 2015 and CIR / CFD / FAC / 62 / 2016 dated July 5, 2016 including the manner in which it is to be disclosed, or that it contains material misstatement.

## **7. Material Uncertainty relating to Going Concern.**

- a) We invite attention to Note 6 of the Statement relating to material uncertainty relating to going concern. The Group's current liabilities exceeded current assets significantly and are at Rs. 3,28,338.65 lacs. There is a continuing mismatch including defaults in payment of its financial obligations to its lenders. The liquidity crunch is affecting the Group's operation with increasing severity. We also invite attention to note 5 of the Statement wherein status of various SPV projects which are stressed due to delay in completion, cost overrun, liquidity crunch and have legal issues, arbitration proceedings or negotiations. The future of these projects as also the successful progress and completion depends on favourable decisions on outstanding litigations being received by the Management. The resolutions planned by the Management are pending since a long time and are not concluding in favour of the Company. These conditions indicate the existence of Material Uncertainty which may impact the Company's ability to continue as a going concern. Our report is not qualified on this matter.

## **8. Emphasis of Matter**

Without qualifying our conclusion, we draw attention to the following matters.

- a) We invite attention to Note 5 (c) of the Statement, regarding unilateral termination and closure of Concession in a bridge project, which is subject to pending litigations / arbitrations at various forums, which may impact the carrying values of investments and loans and advances given to the subsidiary. The Group's exposure towards the said project (funded and non-funded) is Rs. 1,787.13 lacs. Pending conclusion on these legal matters, no adjustments have been made in the financial statements.
- b) We invite attention to Note 5 (d) of the Statement, in relation to intention to exit one of the hydro power projects at Himachal Pradesh and seeking a claim of an amount against the amount spent on the Project. The Company's subsidiary has cited reasons for non-continuance on account of reasons beyond its control. The matter was under arbitration and the Arbitral Award was pronounced by the



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Hon'ble Tribunal on 23rd January 2023 in favour of the SPV. As detailed in the note the share of award in favor of the SPV is expected to be in excess of exposure of Rs. 6,784.37 lacs. We have relied on the management assertion in this matter.

## 9. Other Matter

- a) The statement includes the standalone financial results of 1 subsidiary, which has been reviewed by their Auditor's whose standalone financial results reflect total assets of Rs.11,400.73 lacs, total revenues of Rs. 0.76 lacs, total net loss after tax of Rs.24.37 lacs and other comprehensive income of Rs. Nil for the nine months ended December 31, 2022. The other Auditors' reports have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is solely based on the reports of the other auditor and the procedures performed by us as stated in para 3 above.
- b) The statement also includes the standalone financial results of 19 subsidiaries, which have not been reviewed by their auditors or us, whose standalone financial results reflect total assets of Rs. 36,286.85 Lacs, total revenues of Rs. 0.00 lacs, total net loss after tax of Rs. 4091.17 lacs and other comprehensive loss of Rs. Nil for the nine months ended December 31, 2022, as considered in the statement. We also did not audit the financial results of 2 joint ventures, which have not been reviewed by their auditors or us. the Company's share of profit in such joint ventures accounted under equity method being Rs. 9.04 lacs. These financial statements are unaudited and have been furnished to us by the Management including the application of the INDAS accounting standards. These subsidiaries are not material individually and our conclusion is not qualified on this account.
- c) The consolidated financial results for the comparative period quarter and nine months ended December 31,2021 and year ended on March 31,2022, included in the enclosed statement, are based on published financial results for the respective period as reviewed by M/s. Nayan Parikh & Co., Chartered Accountants, vide their modified limited review report dated February 28,2022 and modified audit report dated September 01,2022 respectively.

For Natvarlal Vepari and Co.  
Chartered Accountants  
Firm Registration No. 106971W

*Nuzhat*

Nuzhat Khan

Partner

M. No. 124960

Mumbai, Dated: - April 19, 2022

UDIN: 23124960 BGVGCG 8448



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## Annexure A

Sr. No.	Company	Relationship
1.	AJR Infra and Tolling Limited (Formerly known as Gammon Infrastructure Projects Limited)	Holding Company
2.	Birmitrapur Barkote Highway Private Limited	Subsidiary
3.	Cochin Bridge Infrastructure Company Limited	Subsidiary
4.	Gammon Logistics Limited	Subsidiary
5.	Gammon Projects Developers Limited	Subsidiary
6.	Gammon Renewable Energy Infrastructure Limited	Subsidiary
7.	Gammon Road Infrastructure Limited	Subsidiary
8.	Gammon Seaport Infrastructure Limited	Subsidiary
9.	Haryana Biomass Power Limited	Subsidiary
10.	Marine Project Services Limited	Subsidiary
11.	Sidhi Singrauli Road Projects Limited	Subsidiary
12.	Tada Infra Development Company Limited	Subsidiary
13.	Tidong Hydro Power Limited	Subsidiary
14.	Yamunanagar Panchkula Highway Private Limited	Subsidiary
15.	Youngthang Power Ventures Limited	Subsidiary
16.	Vijayawada Gundugolanu Road Project Private Limited	Subsidiary
17.	Pravara Renewable Energy Limited	Subsidiary
18.	Sikkim Hydro Power Ventures Limited	Subsidiary
19.	Indira Container Terminal Private Limited	Subsidiary
20.	Ras Cities and Townships Private Limited	Step-down subsidiary
21.	Chitoor Infra Company Private Limited	Step-down subsidiary
22.	Earthlink Infrastructure Projects Private Limited	Step-down subsidiary
23.	Segue Infrastructure Projects Private Limited	Step-down subsidiary
24.	GIPL – GECPL JV	Joint Venture
25.	GIPL - GIL JV	Joint Venture
26.	Vizag Seaport Private Limited	Associates

