

Practical Issues on Standards on Auditing under Covid-19

Impact on Infrastructure & Services Industry

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Meaning of Infrastructure Projects/Facilities

As per Schedule VI of the Companies Act, 2013, the Term Infrastructure Infrastructural Projects/Facilities include following major activities & projects which are summarized under the broad headings

Roads & Highways ●



Power ●



Mining & Exploration ●



Real Estate Development & Housing ●



IMPACT of COVID 19



High



Medium



Low

Meaning of Infrastructure Projects/Facilities

Telecommunication ●



Aviation ●



Ports ●



Logistics ●



Important Standards on Auditing (SAs) in context of audit of Infrastructure Entities.

- **SA 315 “Identifying and Assessing the Risk of Material Misstatement Through Understanding the Entity & its Environment” and SA 320 “Materiality in Planning and Performing an Audit”**
- **SA 500 “Audit Evidence” & SA 501 “Audit Evidence – Specific Considerations for Specific Items”**
- **SA 540 “Auditing Accounting Estimates, Including Fair Value Accounting Estimates, and Related Disclosures”**
- **SA 250 “Consideration of Laws and Regulations in an Audit of Financial Statements”**
- **SA 560 “Subsequent events”**
- **SA 570 “Going Concern”**
- **SA 580 “Written Representations”**
- **SA 600 “Using the Work of Another Auditor”**

Important Standards on Auditing (SAs) in context of audit of Infrastructure Entities.

- **SA 505 “External Confirmation”**
- **SA 240 “The Auditors Responsibility Relating to Fraud in an Audit of Financial Statements”**
- **SA 550 “Related Party”**
- **SA 701 “Communicating Key Audit Matters in Independent Auditor’s Report”**
- **SA 705 “Modifications to the Opinion in the Independent Auditor’s Report”**
- **SA 706 “Emphasis of Matter Paragraphs and Other Matter Paragraphs in the Independent Auditor’s Report ”**

Road & Highways

Understanding of Business :

The Projects are undertaken for construction/development of road/highway on Public Private Partnership (PPP) arrangement, under which the underlying asset –Road or Highway is owned by the Government or the Regulatory Authority (NHAI or Govt.). The arrangement is mainly on BOT basis (Build, Operate and Transfer.)

Following are some of the Business Structures under Infrastructure Sector covering Road & Highways:

❖ Engineering, Procurement and Construction - (EPC) :

- This is purely Construction services.

❖ Build, Operate and Transfer - (BOT) : Toll Collection rights/ Annuity

- Project for Construction/ Development of road.
- Expenditure on Construction/ Development incurred by developer. Assets belongs to regulator/ Govt.
- Developer given the right to **collect user fees** to recover cost of construction/ cost of maintenance and return on investments.
- **Concession agreement** executed giving effect to above arrangement.
- In some arrangement developer receives consideration in the form of annuity over concession period.
- In recent times the agreements are made wherein part of construction/ development expenditure is financed by Regulator during construction period and balance consideration by way of **annuity over concession period along with interest (HAM)**

Road & Highways

Accounting Treatment – BOT Projects :

- In case of companies to which **Ind As** is applicable the accounting treatment is prescribed in **Appendix 'D' to Ind As 115 "Revenue from contracts with customer"**.
- As per the Standard in case of consideration receivable as user fees, the right over road constructed/ developed is capitalized as 'Intangible asset' and is amortised over concession period. The value of right is the amount of direct and indirect expenditure incurred on development of road
- Schedule II to the Companies Act, 2013 provides the method of amortisation. This treatment is prescribed for arrangement where right of collecting the user fee is given to the developer.
- In case the consideration is received in form of annuity, the expenditure incurred on construction/ development of road is capitalized as 'Financial Asset'. This is carried at Fair Value as at the end of financial year and imputed interest is recognized as Income.
- In case of Companies following **IGAP(AS)**, the expenditure incurred is capitalized as Intangible Assets which is amortized over concession period. The revenue from user fees/annuity is recognized in statement of profit & loss

❖ Toll Operate Transfer (TOT) Model :

- This model was introduced to offset the Govt.'s intention to privatize the PSUs. Under this model the right to collect the toll revenues is given to entity as against the upfront lump-sum payment made at the inception of contract, for predetermined tenure. The Operation and Maintenance responsibility lies with the entity itself.

Power

Understanding of Business :

- The entity creates Infrastructure for generation, transmission or distribution of power.
- Power generating Companies enters into Power purchase agreement with state electricity boards now converted into Government Companies.
- In case where entity has rights of transmission and distribution rights the tariff rates are decided by Electricity Regulatory Commission (State or Centre).Such Tariff is based on two components (1) Capital charge involving a fixed charge that includes depreciation, return on equity, interest on WC,and O&M Expenditure and (2) Energy charge means variable charge based on fuel costs.
- The Major Expenditure involves Fuel Expenditure.
- Regulator for tariff is CERC or SERC
- Applicable Law- Electricity Act,2003

Mining & Exploration

Understanding of Business :

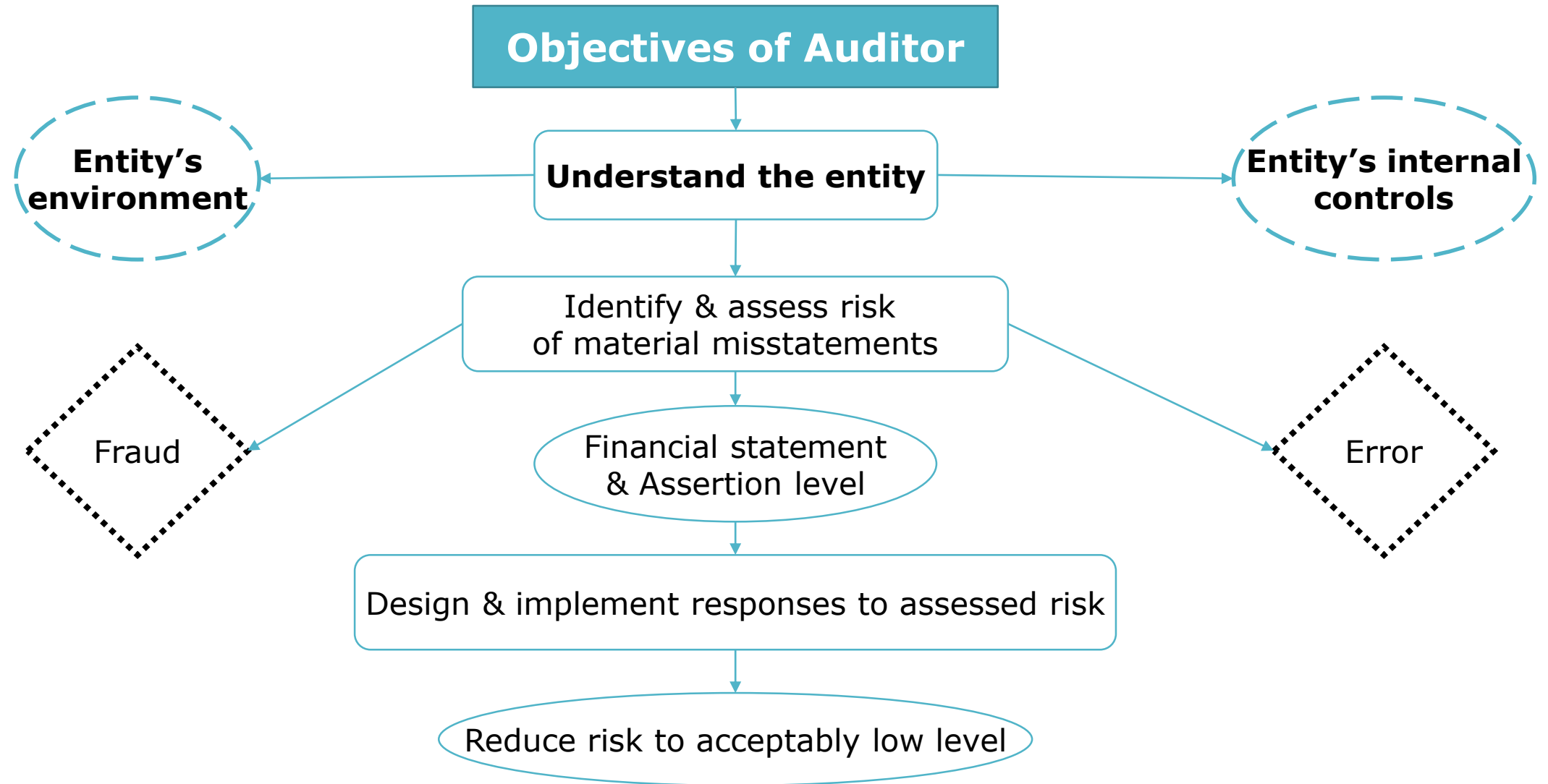
- These entities primarily deal with obtaining right to explore, develop and produce the gas./coal/minerals
- The cost of acquiring such rights for exploration or development is accounted for as Intangible Asset under development and then such cost are capitalized as PPE (Property, Plant and Equipment). Subsequently during the production stage the said PPE is amortized based on relevant Method. (either Production Unit Method or over the period of mining Lease)
- In case of abandonment of Intangible asset the same are written off.
- As per Ministry of Coal there is a requirement of land reclamation, decommissioning of structures, and site restoration. So entity estimates such expenditure and discounts it at market rate and recognizes a liability. Company recognizes an asset as against such liability and classifies it as PPE and amortize it over the balance of project life.
- Expenditure on Overburden Removal (in case of open cast mining the waste material on the top of coal seam is required to be removed to get access to mineral and its extraction such expense is to be incurred over the life of asset).
- For business of Oil Exploration, **Production Sharing Contract** (PSC) is entered into between the Operator and Regulator for sharing of profits.
- **Laws Applicable-Mines and Minerals (Development and Regulation) Act,1957 and Coal Mines (Special Provisions Act),2015**
- Regulator – For Oil exploration – **Directorate General of Hydrocarbon.**

Real Estate Development & Housing

Understanding of Business :

- The entity is involved in construction of buildings for residential or commercial purposes or letting them out on lease..
- Various Arrangements:
 - Acquiring Land and constructing buildings for sale or lease.
 - Acquiring Development Rights over land and sale of constructed buildings thereon.
 - Acquiring Land and Developing plots for sale with common facilities and infrastructure such as club house, roads, water supply, sanitation etc.
- The asset constructed is classified as inventory and valued at Lower of cost or net realizable value.
- Business being carried out through Joint venture entities-Subsidiaries/associates/LLP/Partnership Firms
- Laws applicable: Local bodies regulations relating to construction. Stamp duty Act of the relevant State. Also Co-operative Societies Act
- Project is required to be registered with RERA.

SA 315 “Identifying and Assessing the Risks of Material Misstatement Through Understanding the Entity and its Environment ”



SA 315 “Identifying and Assessing the Risks of Material Misstatement Through Understanding the Entity and its Environment ”

Requirements:

- The Auditor is required to perform various risk assessment procedures to provide a basis for identifying and assessing the risk of material misstatement.
- The Auditor is required to obtain an understanding of entity so that it enables the auditor to understand the classes of transaction, disclosures and account balances to be expected in FS.
- The Auditor should obtain an understanding of Internal control systems relevant to audit. Such Internal control System include entities control environment, information system, relevant business processes etc..
- **For understanding entities and its environment, the auditor should obtain an understanding of :**
 - *Nature of entity and its operations, ownership, Governance Structure.*
 - *Relevant industry, regulatory and financial reporting framework*
 - *Selection and application of accounting policies*
 - *Objectives and strategies and business risks that may result in risk of material misstatement.*

SA 320 “Materiality in Planning & Performing Audit”

Scope : It deals with Auditor’s responsibility to apply the concept of materiality in planning and performing an audit.

Objective : To evaluate and apply the concept of materiality in audit.

General points :

- Materiality is to be considered in relation with audit risk.
- ***Materiality is to be considered for:***
 - ***Determining nature, timing and extent of audit procedures.***
 - ***Evaluating the effect of misstatements.***
- Misstatements are considered to be material if they individually or in aggregate, could reasonably be expected to influence economic decision of users taken on the basis of FS.
- Auditor is required to evaluate whether the effect of aggregate uncorrected misstatement (known and likely) on FS is material.

SA 315 & SA 320 “Risk Assessment and Materiality”

Specific Aspects to be considered for infrastructure Projects

❖ **The Entity :**

- Complex Structure created through subsidiaries, associates and joint venture entities..
- Remote sites – Control over operations becomes difficult.
- Financial structuring and servicing of debt

❖ **Environment and Internal Control :.**

- Integrity of Management.
- IT Systems.
- Accounting Policies relating to capitalization of development expenditure /its amortization
- Volume and Nature of Transactions vis a vis quality of staff.

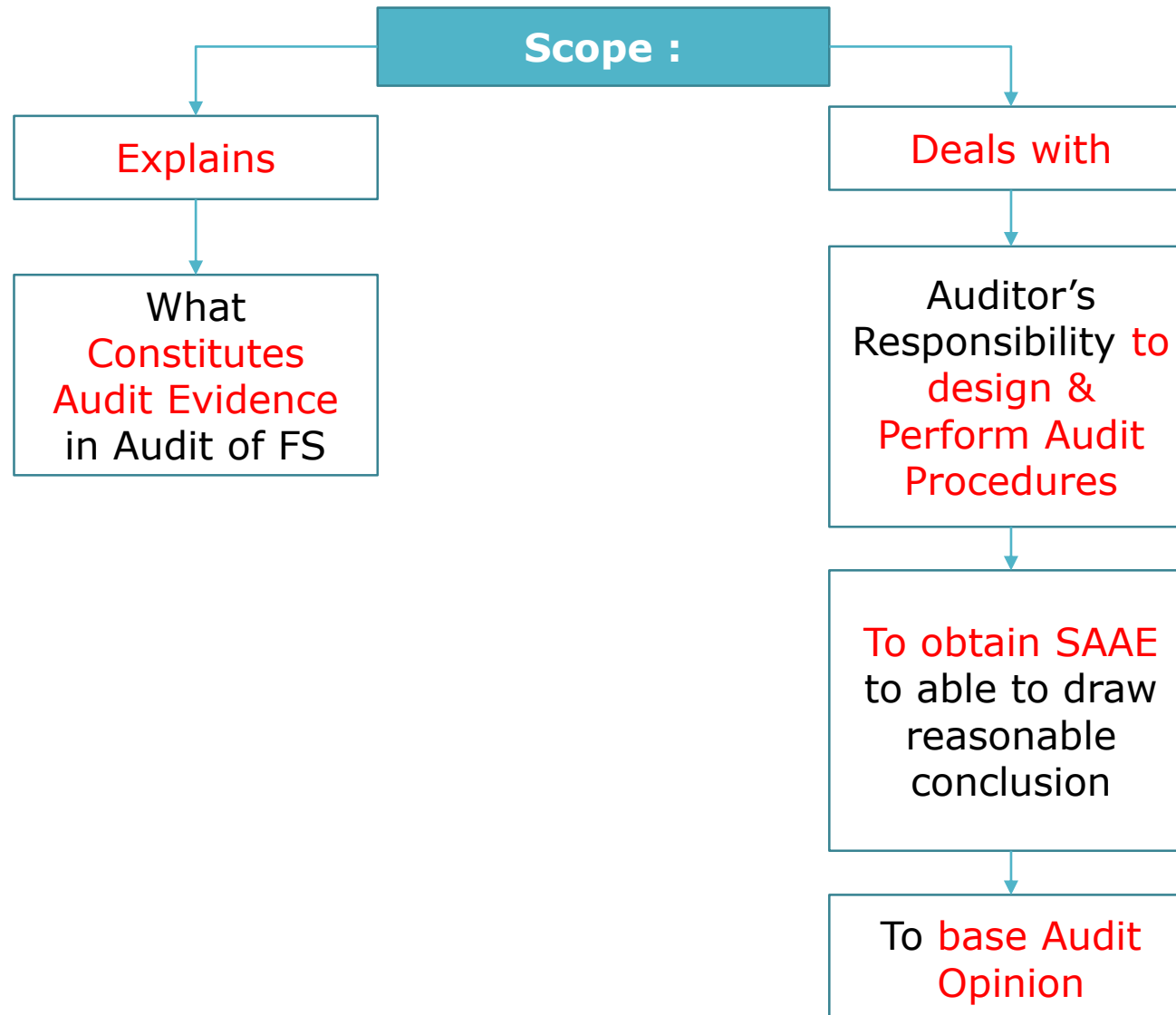
❖ **Additional risk arising due to Covid 19 situation :**

- *Issues arising out of contractual non-compliance. -Onerous Contract.*
- *Liquidity and Working Capital Issues*
- *Disruption in Operations due to employee’s absence, reduced demand, disruption In supply chain etc.*

❖ **Materiality :**

- *Reconsideration of Materiality level considering additional risk for FS as a whole and some account balances.*

SA 500 "Audit Evidence"



SA 500 “Audit Evidence”-Evaluation of work of Management Expert

As per para 8 of SA 500 :

When entity uses the Work of Management’s expert as evidence, the auditor should :

- Evaluate ***competence, capabilities, appropriateness*** of Audit Evidence prepared by Management’s Expert,
- Obtain an ***understanding of the work*** of that expert,
- Evaluate the ***appropriateness of that expert’s work*** as audit evidence.,
- Evaluate the extent to which the ***management can exercise control or influence*** over the work of the expert.

SA 501 “Audit Evidence – Specific considerations for Selected items – Existence and Condition of Inventory”

Scope & Objective : Specific Consideration by the auditor to obtain SAAE in accordance with SA 330, SA 500 and other relevant SAs with respect to certain ***aspects of inventory, particularly existence and condition of Inventory.***

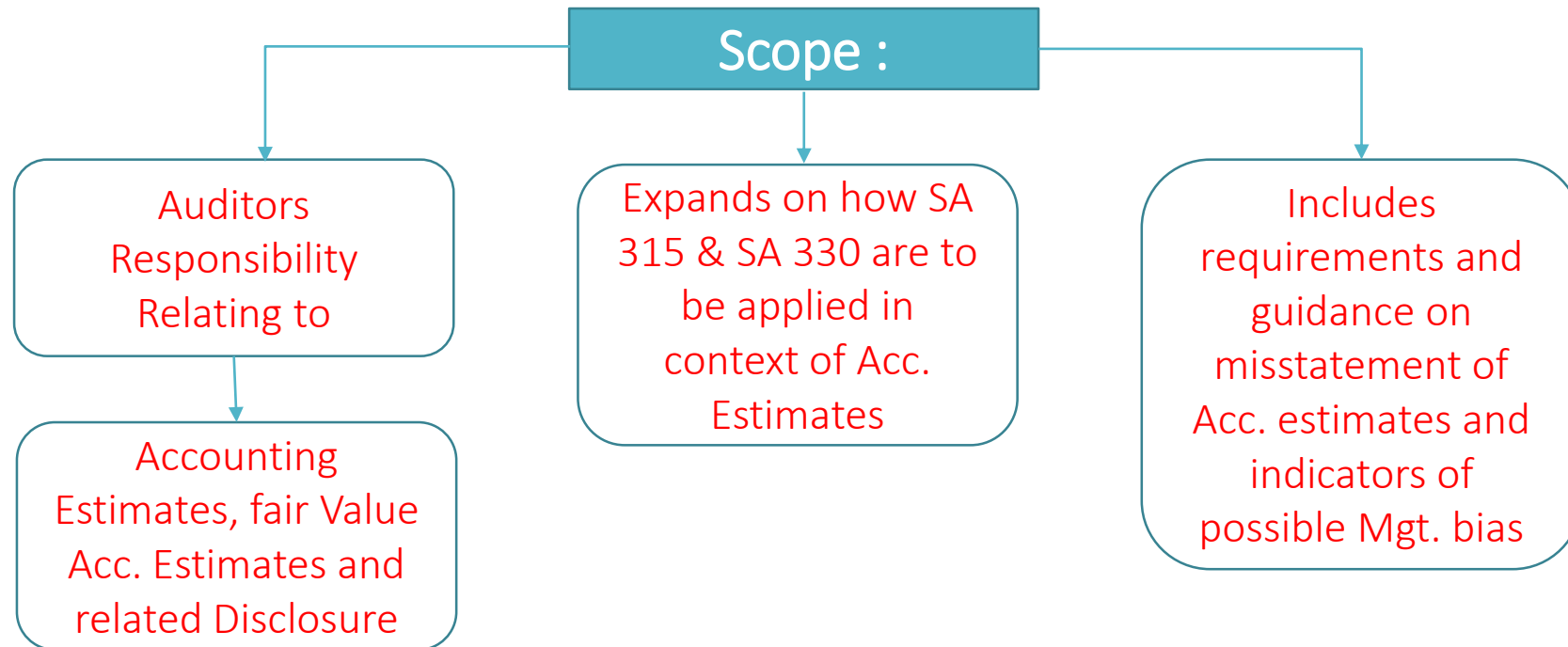
- Considerations required while obtaining SAAE relating to Inventory :
 - For Confirming existence and condition of inventory ***attendance at physical inventory counting*** is required.
 - Attendance at inventory counting involves ***inspecting the inventory and evaluating its conditions and performing its counts.***
 - Observing ***compliance with managements instructions.***
- ***If Physical Inventory counting is conducted at a date other than date of FS, auditors to perform procedures to obtain audit evidence about whether changes in inventory between count date and date of FS are properly recorded.***
- ***If Attendance at Physical Inventory counting is impracticable the auditor to perform alternative audit procedures to obtain SAAE regarding existence and condition of inventory. If it is not possible to do so auditor to modify the opinion in auditor’s report in accordance with SA 705 as a result of scope limitation.***

SA 500 & SA 501 “Audit Evidence & Specific considerations for Selected items – Existence and Condition of Inventory”

Challenges for Auditor :

- Non-Availability of original documents and reliance on soft copies of documents.
- In some areas estimates made by the client are based on expert’s opinion.
- Revenue Recognition particularly in road projects toll collection and power projects electricity tariff rates – Obtaining SAAE.
- Inventory in case of real estate & mining projects confirmation of existence and valuation.
- ***In Covid 19 situation physical verification on Balance sheet date not possible and in some cases no satisfactory evidence available regarding physical verification carried out by the management.***
- ***Inventory Valuation : For arriving at NRV Fall in Prices subsequent to Balance sheet date to be considered.***

SA 540 “Auditing Accounting Estimates, Including Fair Value Accounting Estimates, and Related Disclosures”

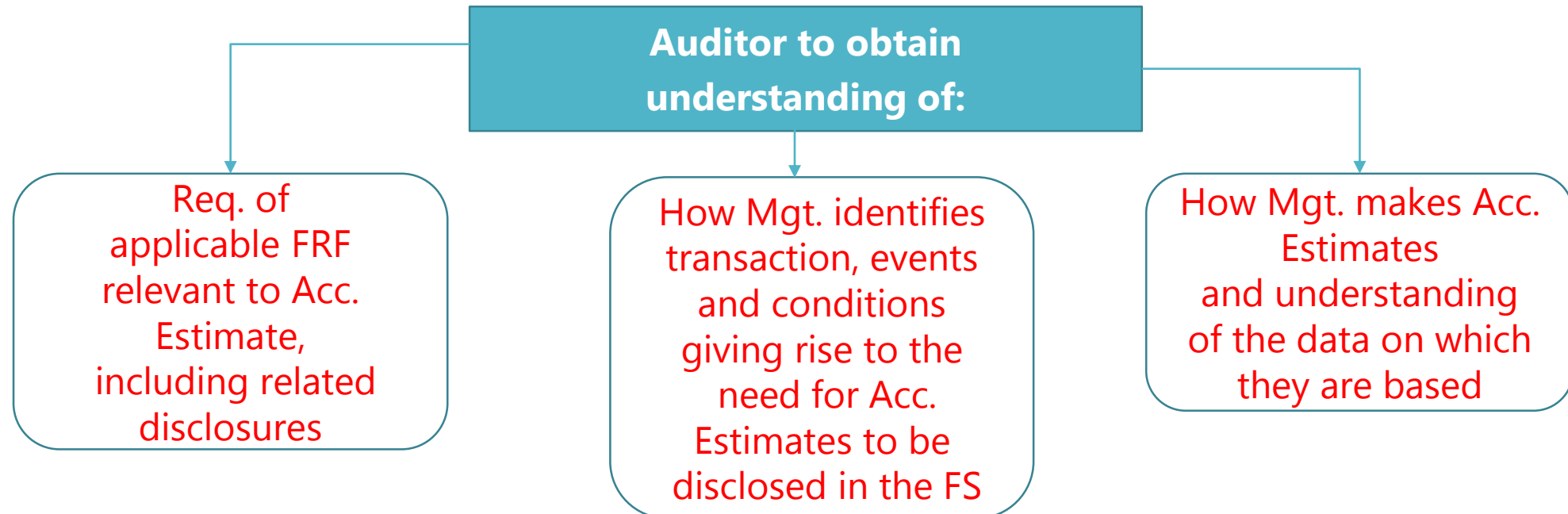


SA 540 “Auditing Accounting Estimates, Including Fair Value Accounting Estimates, and Related Disclosures”

▪ **Objective :**

Obtain SAAE in context of applicable Financial Reporting framework (FRF):

- Acc. Estimates including Fair value Acc. Estimates in FS are reasonable.
- And related disclosures in FS are adequate.
- Risk Assessment Procedures & Related Activities



SA 540 “Auditing Accounting Estimates, Including Fair Value Accounting Estimates, and Related Disclosures”

▪ *Responses to the Assessed Risks of Material Misstatement :*

Auditor shall determine:

- *whether Mgt. has appropriately applied requirement of applicable FRF relevant to AE.*
- *whether methods for making AE are appropriate and have been applied consistently, and changes in AE or in the method for making them from the prior period are appropriate.*
- *Consider events up to the date of Auditor’s Report*
- *Evaluate appropriateness of management’s method of measurement and reasonableness of Mgt.’s assumption*
- *Test the operating effectiveness of controls*
- *Develop a point or range of estimates*

SA 540 “Auditing Accounting Estimates, Including Fair Value Accounting Estimates, and Related Disclosures”

Substantive procedure :

Auditor shall obtain SAAE whether the following are in accordance with the requirement of the applicable FRF:

- Mgt.’s decision to recognize, or to not recognize, the AE in the financial statements; and
- the selected measurement basis for the AE.

Other Procedures :

- Review the judgments and decisions made by Mgt. in the making of AE to identify whether there are indicators of possible management bias.
- Obtain written representations from Mgt. whether Mgt. believes significant assumptions used by it in making AE are reasonable

SA 540 “Auditing Accounting Estimates, Including Fair Value Accounting Estimates, and Related Disclosures”

For Auditors of Entities to which Ind As is applicable this SA is very relevant because of fair value accounting

For Infrastructure Projects Accounting Estimates are involved in following areas :

- The estimate of expenditure on maintenance of road over concession period.
- Estimate of traffic for amortization of Intangible assets.
- Valuation of Inventory comprising of ongoing and completed projects/ development rights etc. requiring estimates based on market conditions, current prices, cost to complete the project, estimated future sales price.
- Estimates of expenditure on mine closure, site restoration and decommissioning obligation.
- Determination of amount of contingent liabilities in respect of litigations, claims etc.
- Impairment in value of investment in entity whose financial or operating conditions are critical

Impact of Covid 19 on Accounting Estimates :

- Assumption used in preparation of projected revenue and cashflow considering closure/ slowdown of business activities and moratorium in repayment of borrowings.
- Value of PPE for ascertaining impairment.
- Allowance for expected credit loss.

SA 250 “Consideration of Laws and Regulations in an Audit of Financial Statements”

Scope. It deals with the auditor’s responsibility to consider laws and regulations when performing an audit of financial statements. It does not apply where separate compliance with specific laws and regulations is required.

Objectives:

- To perform specified audit procedures to help identify instances of noncompliance and respond appropriately.

Requirements :

- *This SA assists auditor in identifying material misstatement, due to non-compliance with laws and regulations.*
- *Auditor is not responsible for preventing non-compliance and cannot be expected to detect non-compliance.*
- *The Auditor is required to take into account the applicable legal and regulatory framework while conducting an audit of financial statements.*
- *The auditor is required by this SA to remain alert to the possibility of identified or suspected non-compliance*
- *Given the extent of laws and regulations that affect the entity, maintaining professional skepticism throughout the audit is important.*

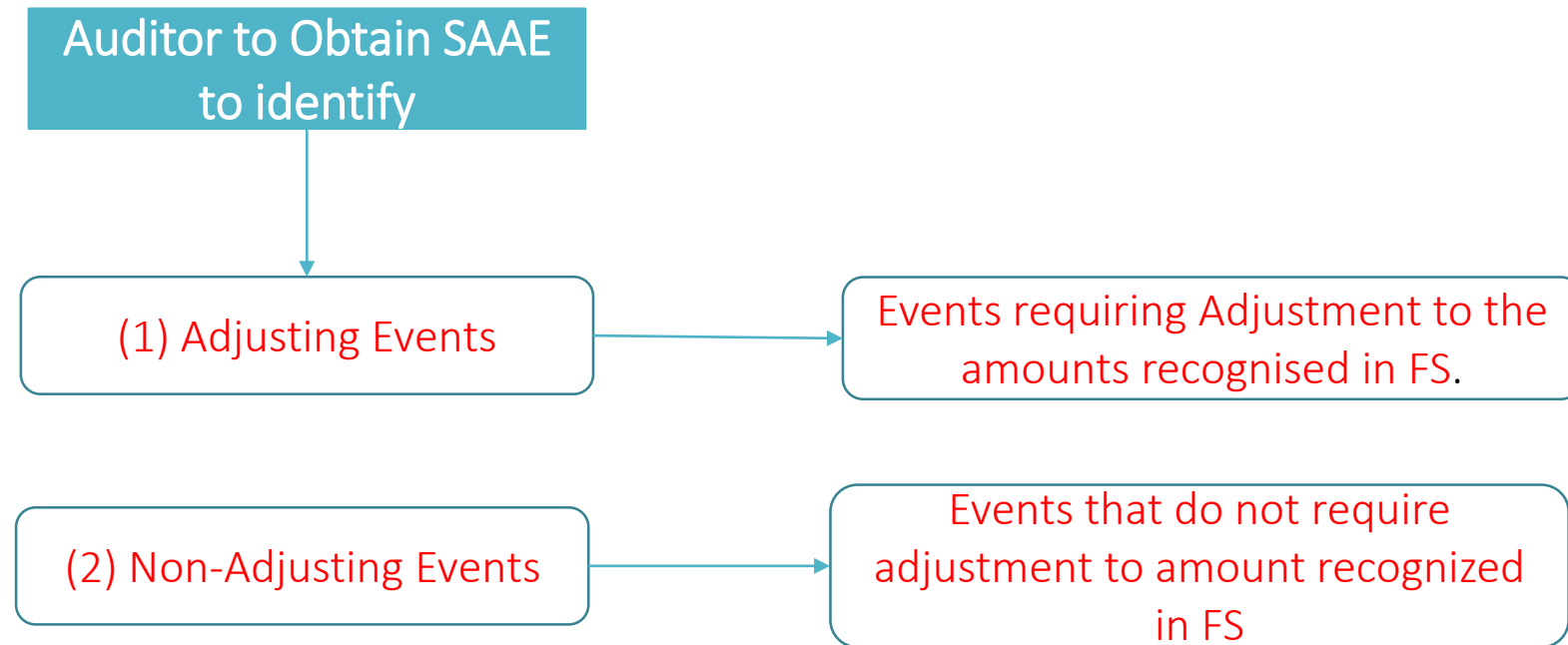
SA 250 “Consideration of Laws and Regulations in an Audit of Financial Statements”

Consideration of some specific Laws applicable to infrastructure projects :

- Goods and Service tax (GST) /Customs Act/FEMA
- Electricity Act-Power Project
- Regulations applicable to mining particularly environment and illegal mining.
- RERA compliance
- Labour Laws – Impact of Covid 19 to be considered.
- The Competition Act, 2002 (Applicable to real estate Projects)
- Income tax Act
- Compliance of conditions of concession agreement/borrowings in case of road projects.
- Compliance of conditions of production sharing contract in oil exploration project

SA 560 “Subsequent Events”

- **Scope :** It deals with Auditor’s responsibility relating to subsequent events in an audit of FS.



Auditor to evaluate Impact of Covid 19 situation to determine whether subsequent event are adjusting events or non adjusting events.

SA 570 “Going Concern”

Scope : It deals with the auditor’s responsibilities in the audit of financial statements relating to going concern (GC) and the implications for the auditor’s report.

Objective :

1. Obtain sufficient appropriate audit evidence about appropriateness of management’s use of GC assumption in preparation & presentation of FS
2. Conclude, based on evidence, whether a material uncertainty exists that may cast significant doubt on entity’s ability to continue as GC
3. Determine implications for Auditor’s report

Audit Conclusions and Reporting :

- To Conclude whether in Auditor’s judgment material uncertainty exists which individually/ collectively casts significant doubt on GC assumption. In this situation if management has made adequate disclosures in FS about the basis on which FS has been prepared on GC assumption in spite of material uncertainty, auditors to mention about this in audit report under separate paragraph.
- If management has not made any assessment of GC or in spite of material uncertainty about GC has prepared accounts on GC assumption without making any disclosure in FS, auditor to modify his audit opinion in audit report.

SA 570 “Going Concern”

Consideration for Auditors :

- Duty of Auditor is to assess whether assessment made by the management about GC is appropriate considering various situation impacting the entity and its business.
- Auditor to understand that assessment of GC should be considered for specific industry or entity. Hence even in situation like Covid 19 not to assume that due to disruption/ slowing down of business, chances of closure or stoppage of business increases.

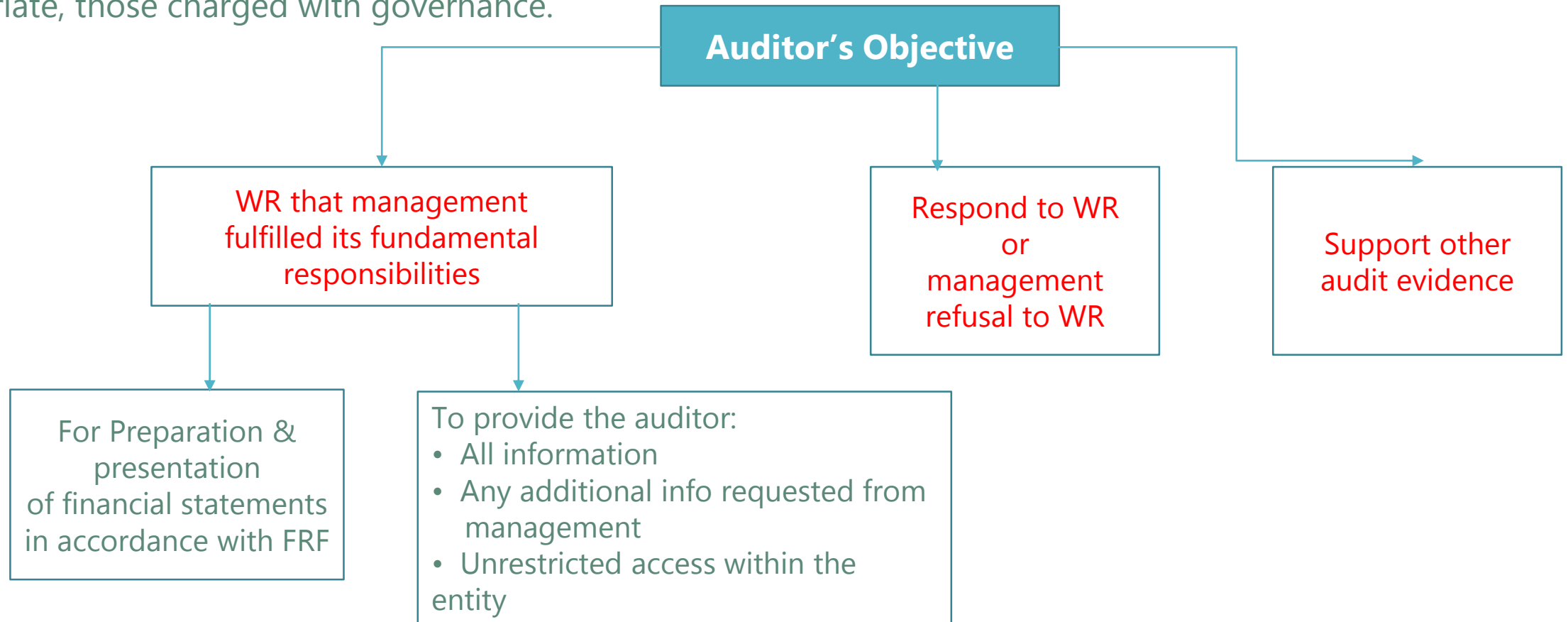
Impact of Covid 19 and factors affecting GC assessment:

- Road projects : Reduction in toll revenue,
- Power Projects : Reduced demand and Plant operating at lower capacity.
- Due to inadequate cash accrual delay/ default in payment of statutory dues as well as loan obligations. But relief measures of Govt. in form of moratorium or extension of due date for payment not impacting.
- Delay in achieving obligation as per contractual terms. However regulator particularly NHAI in case of Road projects giving extension of time and waiver of penalty.

General -Covid 19 Situation has not impacted GC assumption in most of the infra projects.

SA 580 “Written Representation”

Scope : Deals with Auditor’s responsibility to obtain written representations from management and, where appropriate, those charged with governance.



Auditor to consider about obtaining specific representation from Management’s assessment in relation to impact of Covid 19 situation on FS for FY 2019-20.

SA 600 “Using the Work of Another Auditor”

Relevance :

- This SA is relevant in situation where auditor reporting on financial information of an entity uses the work of another auditor with respect to the financial information of one or more components included in the financial information of the entity (i.e consolidation of accounts).
- **Proviso to section 143(1) of the Companies Act 2013-Giving right to auditor of holding company to access to records of subsidiary/associate for the purpose of consolidation of FS.**

Important Points :

- **Principal auditor to decide how work of another auditor will affect audit**
- **If the other auditor is not a CA, principal auditor to examine his professional competence**
- **Principal auditor to perform procedures to ensure that the work of another auditor is adequate for his purposes**
- **Significant findings of other auditor to be considered by principal auditor**
- **There should be sufficient liaison / coordination between principal and other auditor.**
- **If principal auditor concludes that he cannot use the work of another auditor and is unable to audit that component, he expresses a qualified opinion / disclaimer, as appropriate – due to scope limitation.**
- **If principal auditor relies on work of other auditor(s), his report should clearly mention division of responsibility and its extent.**

SA 600 “Using the Work of Another Auditor”

In infrastructure projects the business is structured by forming subsidiaries/associates/joint ventures etc. Hence for auditors of holding company the compliance of this SA is very important.

Alternative Means to obtain SAAE by principal Auditor from component auditor in COVID 19 Situation:

- **Consideration of past work of component auditor.**
- **Detail memorandum to be provided to component auditor for the work to be done for group reporting.**
- **Obtaining response from component auditor to a detailed questionnaire.**
- **Requesting the client to provide access to the record and documents of the components.**
- **Use of Video call to discuss the work performed by component auditor.**

SA 505 “External Confirmation”

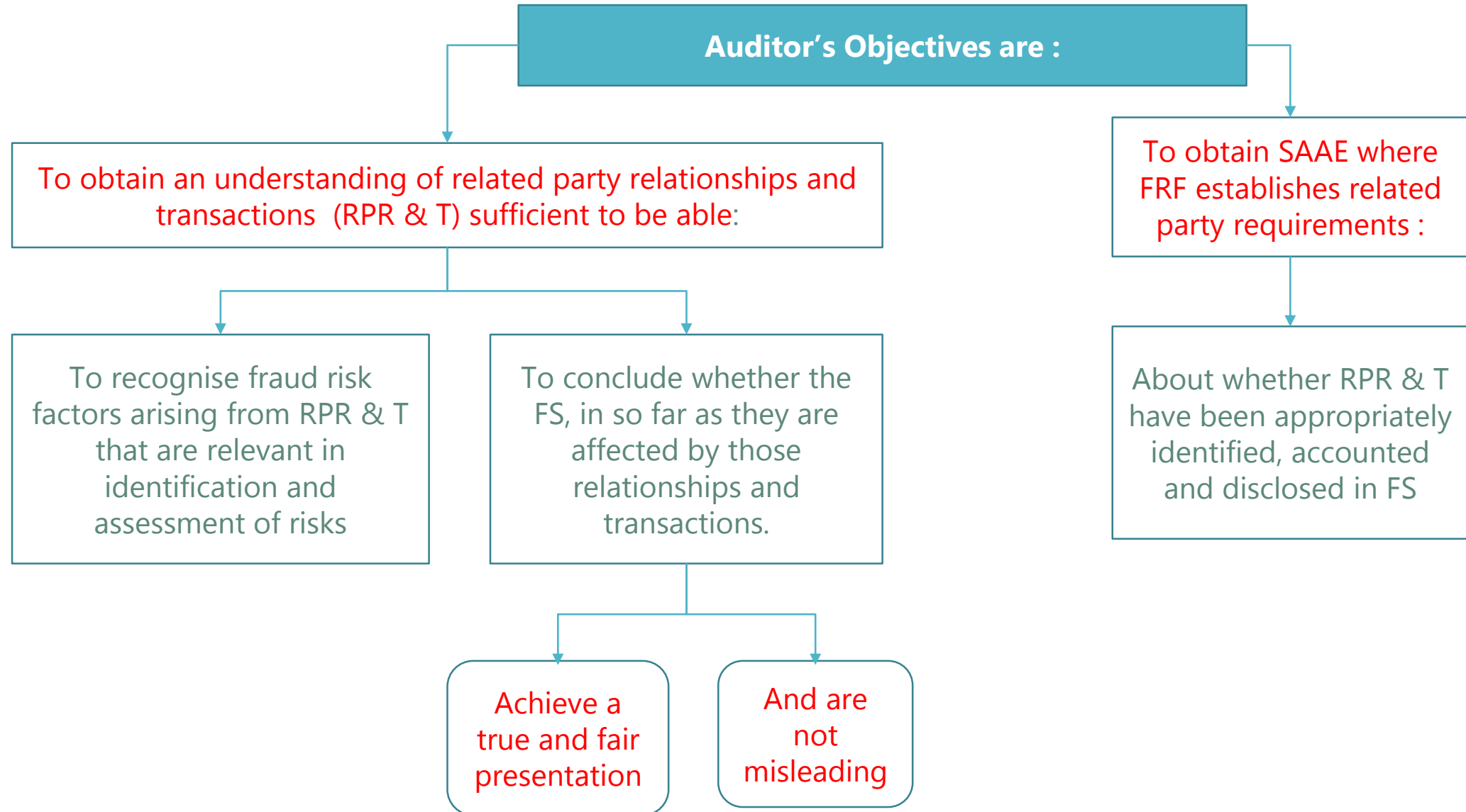
Scope : It deals with the auditor’s use of external confirmation procedures to obtain audit evidence in accordance with the requirements of SA 330 and SA 500.

Objectives : The objective of the auditor, when using external confirmation procedures, is to design and perform such procedures to obtain relevant and reliable audit evidence.

Audit Considerations :

- Auditor is required to maintain control over the external confirmation requests.
- The auditor shall obtain further audit evidence if the auditor identifies factors that give rise to doubts about the reliability of the response to a confirmation request.
- **Auditor should perform alternative audit procedures in case of non-responses.**
- The auditor shall evaluate the implications on the assessment of the relevant risks of material misstatement, including the risk of fraud, and on the related nature, timing and extent of other audit procedures.
- There may be a need to revise the assessed risk of material misstatement at the assertion level and modify planned audit procedure.

SA 550 “Related Party”



SA 550 “Related Party”

Challenges for Auditor :

- In Infrastructure projects business is structured in a manner by which works/ services/ material are procured through related parties which are holding, subsidiaries, associates or joint ventures.
- The Issue for the auditor is to satisfy that transactions entered into are at an arm’s length price.
- Approval of audit committee/Board/shareholders as may be required are obtained.
- Compliance of provisions of Companies Act and SEBI (LODR)
- Financial transactions in form of investments and loan to/ from related party involve issue of fair value as well as impairment in value of investment due to projects carried out by subsidiary, associates are not performing satisfactorily.

SA 240 “The Auditors Responsibility Relating to Fraud in an Audit of Financial Statements

Scope: Deals with auditor’s responsibilities relating to fraud in audit of FS. It also expands on how SA 315 & SA 330 are to be applied in relation to risks of material misstatement due to fraud.

Objectives:

1. To identify the risk of material misstatement & obtain sufficient appropriate audit evidences about assessed risk of material misstatement due to fraud through designing and implementing appropriate responses.
2. To respond appropriately to identified or suspected fraud.

Requirements :

- **Auditor is responsible for obtaining reasonable assurance that the financial statements as a whole are free material misstatement, whether due to fraud or error.**
- **The auditor shall maintain professional skepticism throughout the audit, recognizing the possibility that a material misstatement due to fraud could exist even though the audit is properly planned and performed in accordance with the SAs**

SA 240 “The Auditors Responsibility Relating to Fraud in an Audit of Financial Statements

Some Fraud Prone Areas

1. Road Projects :

- Toll collection – possibility of misappropriation of cash.
- Bogus Expenditure on Construction/ M&R
- Incorrect estimates of traffic resulting into incorrect assessment of impairment and amortization.

2. Power :

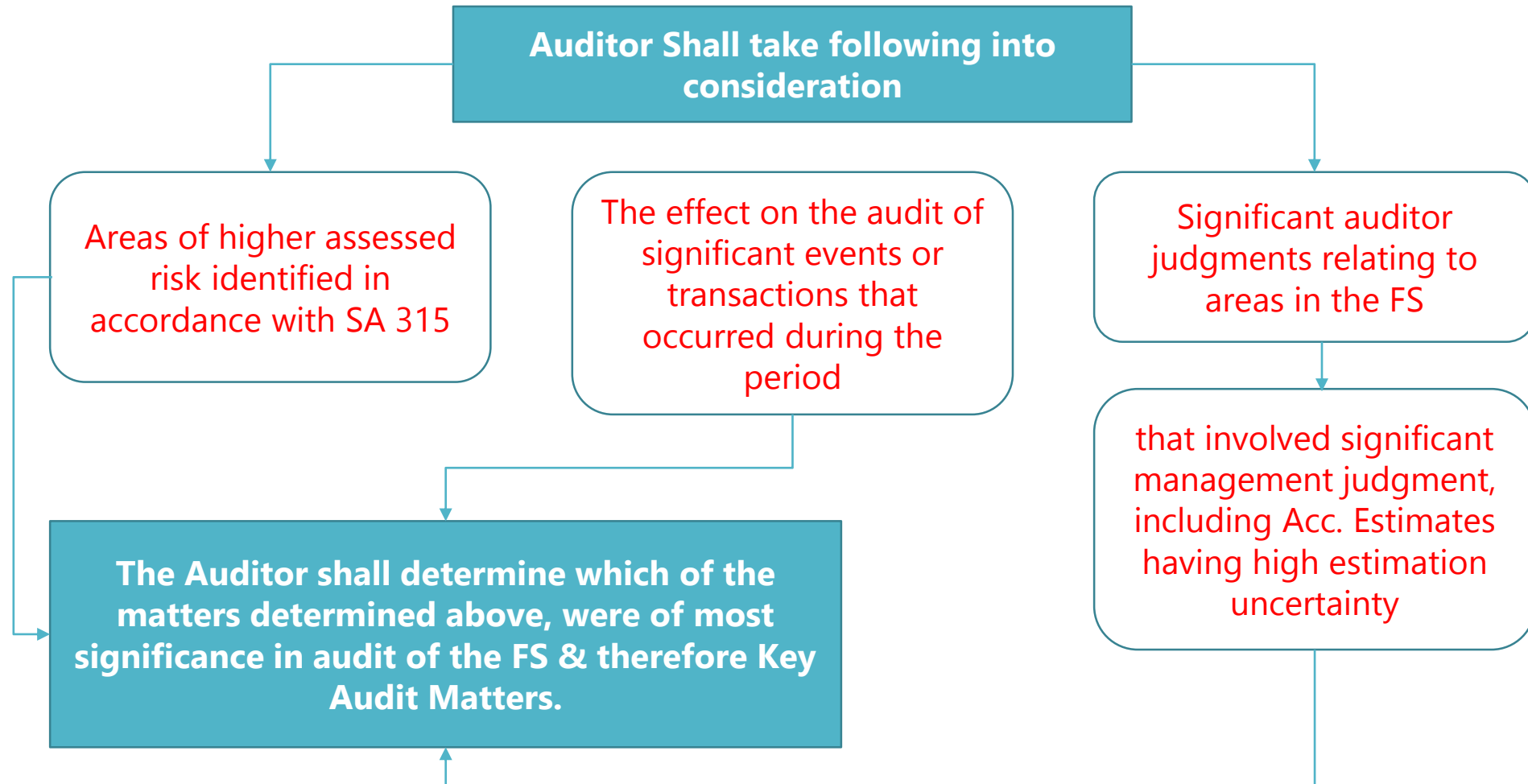
- Theft of Power.
- Inflating expenditure for tariff fixation.

3. Mining :

- Understatement of production – impact on payment of royalty as well as amortization of development expenditure.
- Payment to Ghost Workers.
- Incorrect estimates_of inventory of coal.

SA 701 “Communicating Key Audit Matters in the Independent Auditor’s Report”

Determining Key Audit Matters:



SA 701 “Communicating Key Audit Matters in the Independent Auditor’s Report”

Following are some of the Key Audit Matter identified in case of various entities :

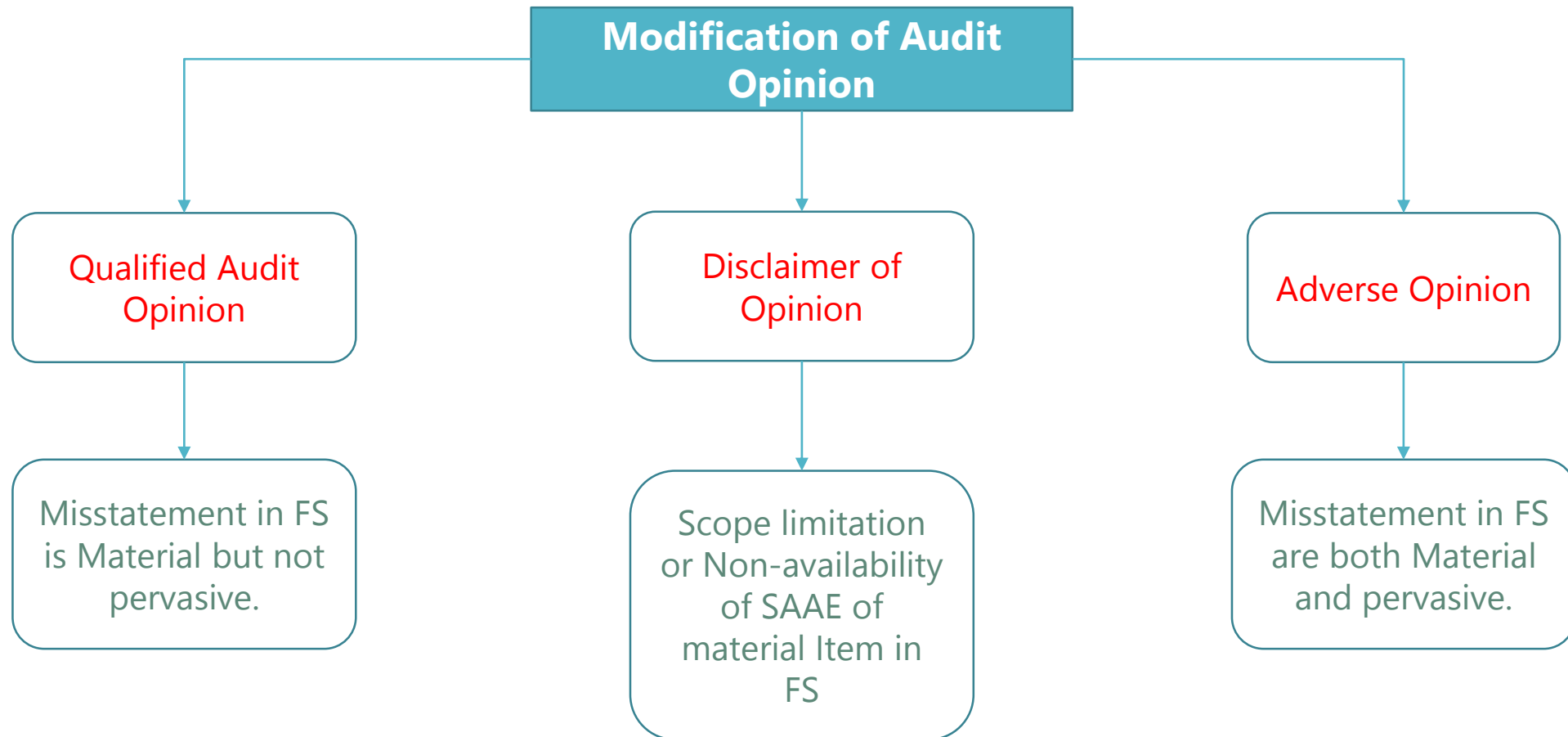
▪ **Assessment of GC basis: (In case of GMR Infra)**

- Entity has incurred losses with a consequent erosion of net worth, lower credit rating of some of the borrowings.
- Entity has a material liability to be settled within one year.
- The Entity has prepared Cash flow forecasts for next twelve months which involves judgement and estimation around sources of funds to with financial obligation and cash flow requirements. This matter is considered as KAM as managements judgements relating to future cash flows.

▪ **Claims, Litigations and Contingencies : (in case of DLF)**

- The Company is having various ongoing litigations, other legal proceedings before tax and regulatory authorities and courts which could have significant impact if potential exposure were to materialize.
- Management estimates the possible outflow of economic resources based on legal counsel opinion and available information on legal status of the proceeding.
- The determination by management of whether and how much, to provide and/ or disclose for such contingencies involves significant judgement and estimation, the same has been considered as KAM.

SA 705 “Modifications to the Opinion in the Independent Auditor’s Report ”



SA 705 “Modifications to the Opinion in the Independent Auditor’s Report ”

Basis of Qualified opinion in case of GVK Power & Infrastructure limited :

The entity has multiple significant uncertainties relating to

(a) non –availability of fuel (coal/gas),

(b) outstanding application for increase in tariff and

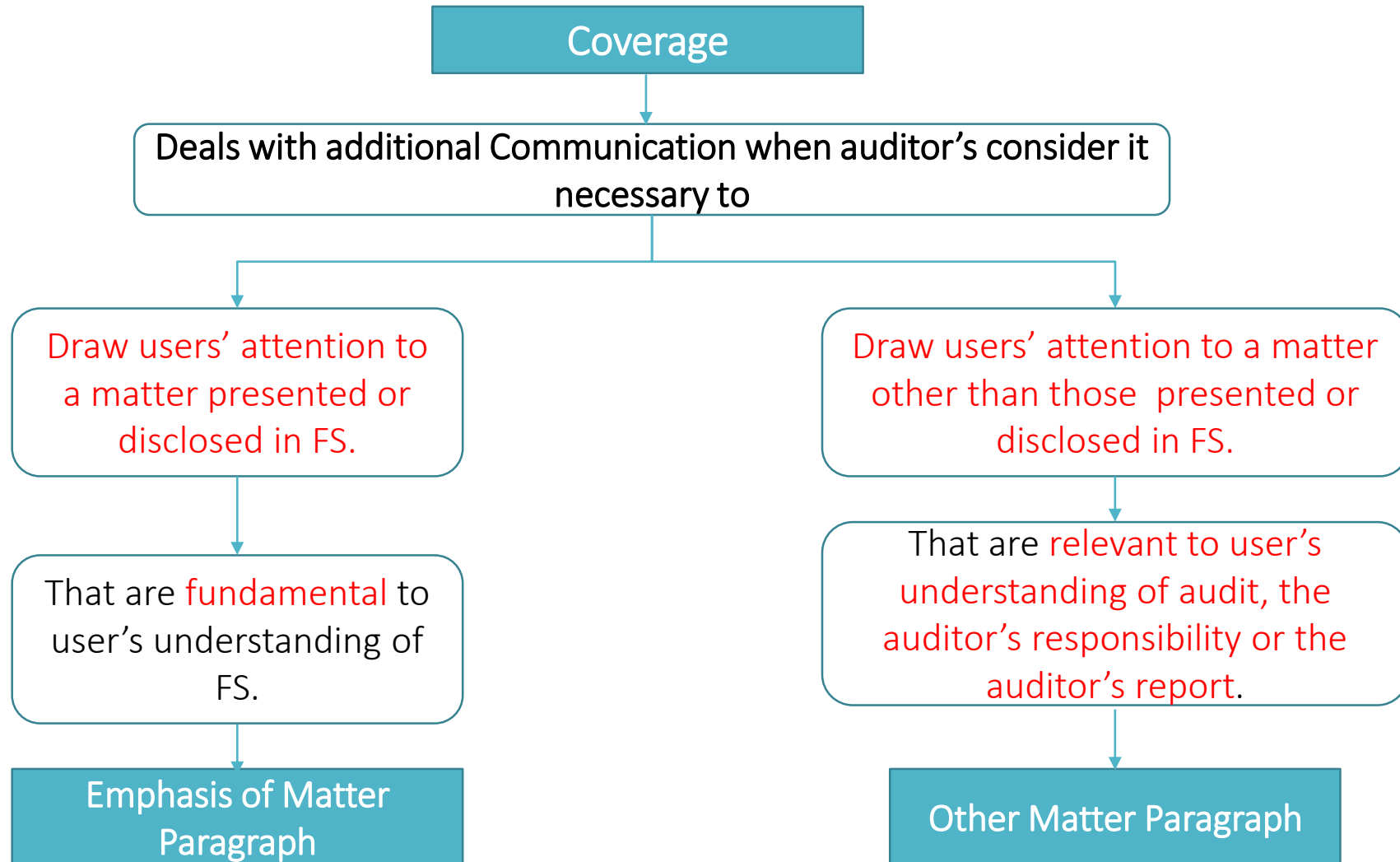
(c) compensation in relation to deallocated coal mine etc. Pending resolution of these uncertainties, we are unable to comment on the adequacy of impairment loss/loss allowance for expected credit losses to be recognised in relation to

(i) investment in and loans to GVK Energy Limited.

and (ii) financial guarantees issued by the Company to the jointly controlled entity.

The impact of the above matters if any, on the standalone financial statements was not ascertainable.

SA 706 “Emphasis of Matter Paragraphs and Other Matter Paragraphs in the Independent Auditor’s Report ”



SA 706 “Emphasis of Matter Paragraphs and Other Matter Paragraphs in the Independent Auditor’s Report ”

Following is the highlights of Emphasis of matter Paragraph in case of DLF :

- Complaint against company relating to imposing unfair conditions on buyers. Competition Commission of India has imposed penalty on company for it.
- In respect on ongoing legal cases where company’s subsidiary has outstanding trade receivables, which is currently sub judice. Despite favorable judgement this amount is pending recovery. Based on legal and experts view the management is confident of its recovery.
- Attention is drawn to note where it describes the uncertainties and the management’s assessment of financial impact due to lockdown and other restrictions and conditions related to Covid 19 situation, for which definitive assessment of impact in subsequent period is highly dependent on future economic development and circumstances as they evolve.***

To Conclude-Lighter Note



Thank You 😊