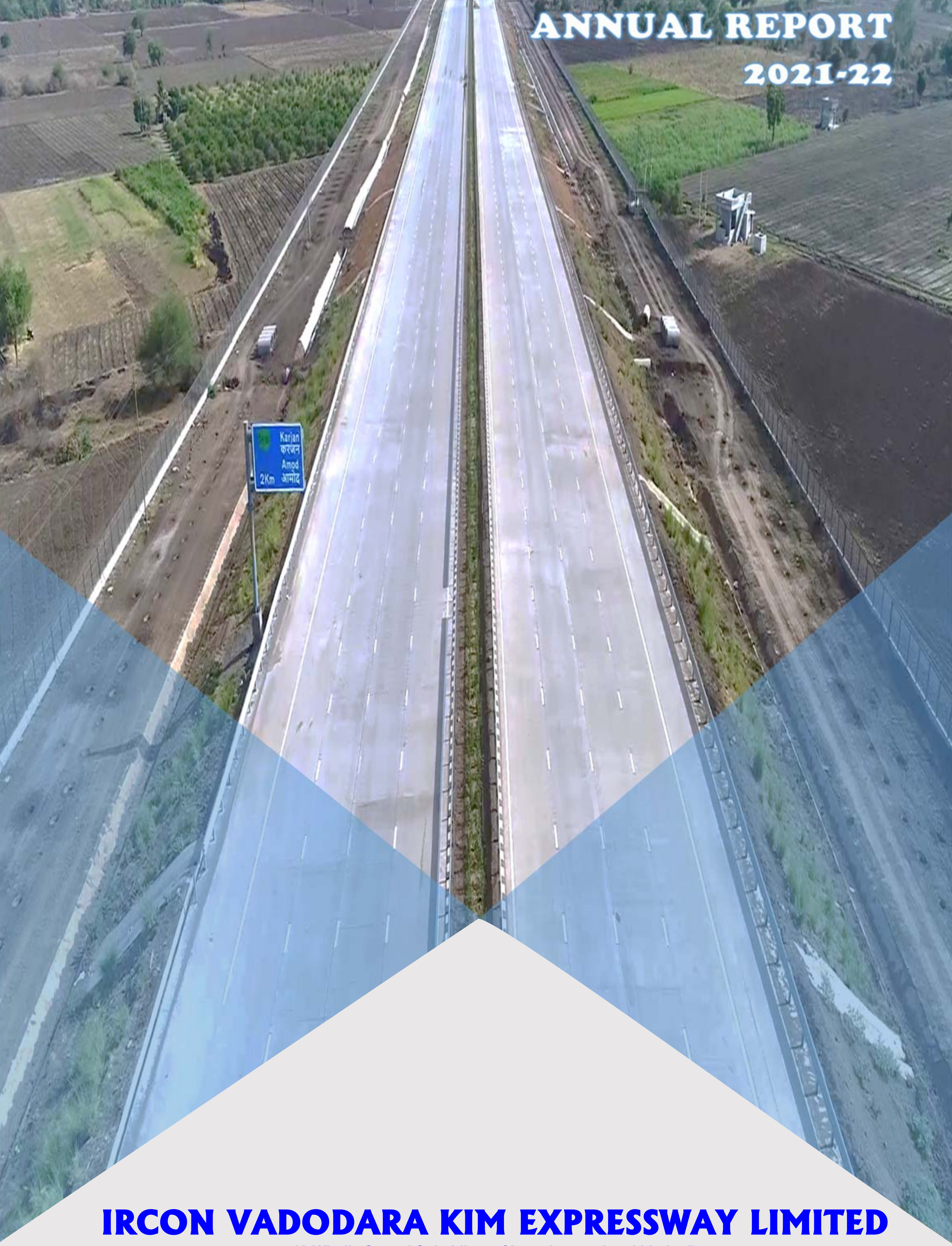
ANNUAL REPORT 2021-22



IRCON VADODARA KIM EXPRESSWAY LIMITED

(A Wholly Owned Subsidiary of Ircon International Limited)

CIN: U45500DL2017GOI317401

CONTENTS OF ANNUAL REPORT OF
IRCON VADODARA KIM EXPRESSWAY LIMITED (IrconVKEL)
FOR THE FY 2021-22

COMPANY PROJECT

"Eight lane Vadodara Kim Expressway from Km 323.00 to Km 355.00 (Sanpa to Padra Section of Vadodara Mumbai Expressway) in the State of Gujarat under NHDP Phase - VI on Hybrid Annuity mode (Phase IA-Package II)"

BOARD OF DIRECTORS

Mr. Ashok Kumar Goyal, Chairman

Mr. Parag Verma, Director

Mr. Masood Ahmad, Director

Mr. Rohit Parmar Director

Ms. Ritu Arora, Director

KEY MANAGERIAL PERSONNEL

Mr. Nitesh Kumar G Asati, Chief Executive Officer

Mr. Raj Kumar, Chief Financial Officer

Mrs. Arpita Basu Roy, Company Secretary

STATUTORY AUDITOR

M/s Bhasin Raghavan & Co.

Chartered Accountant

COST AUDITOR

M/s R.M. Bansal & Co.

Cost Accountants

INTERNAL AUDITOR

M/s Ravi Rajan & Co.

Chartered Accountant

SECRETARIAL AUDITOR

M/s Vasisht & Associates

Practicing Company Secretaries

EPC CONTRACTOR TO COMPANY

Ircon International Limited

BANKERS TO THE COMPANY

BANK OF BARODA

CONTACT PERSON

Mrs. Arpita Basu Roy

Company Secretary

Email id: csirconvkel@gmail.com

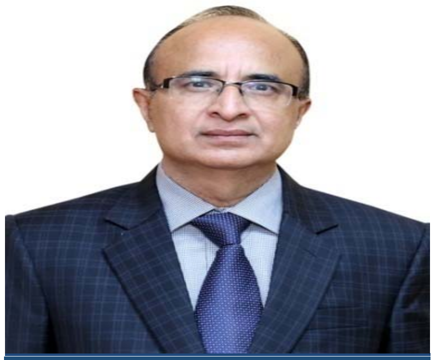
Tel: 26545000

RESGISTERED OFFICE

C-4, District Centre,

Saket, New Delhi-110017

BOARD OF DIRECTORS



Mr. ASHOK KUMAR GOYAL
Chairman

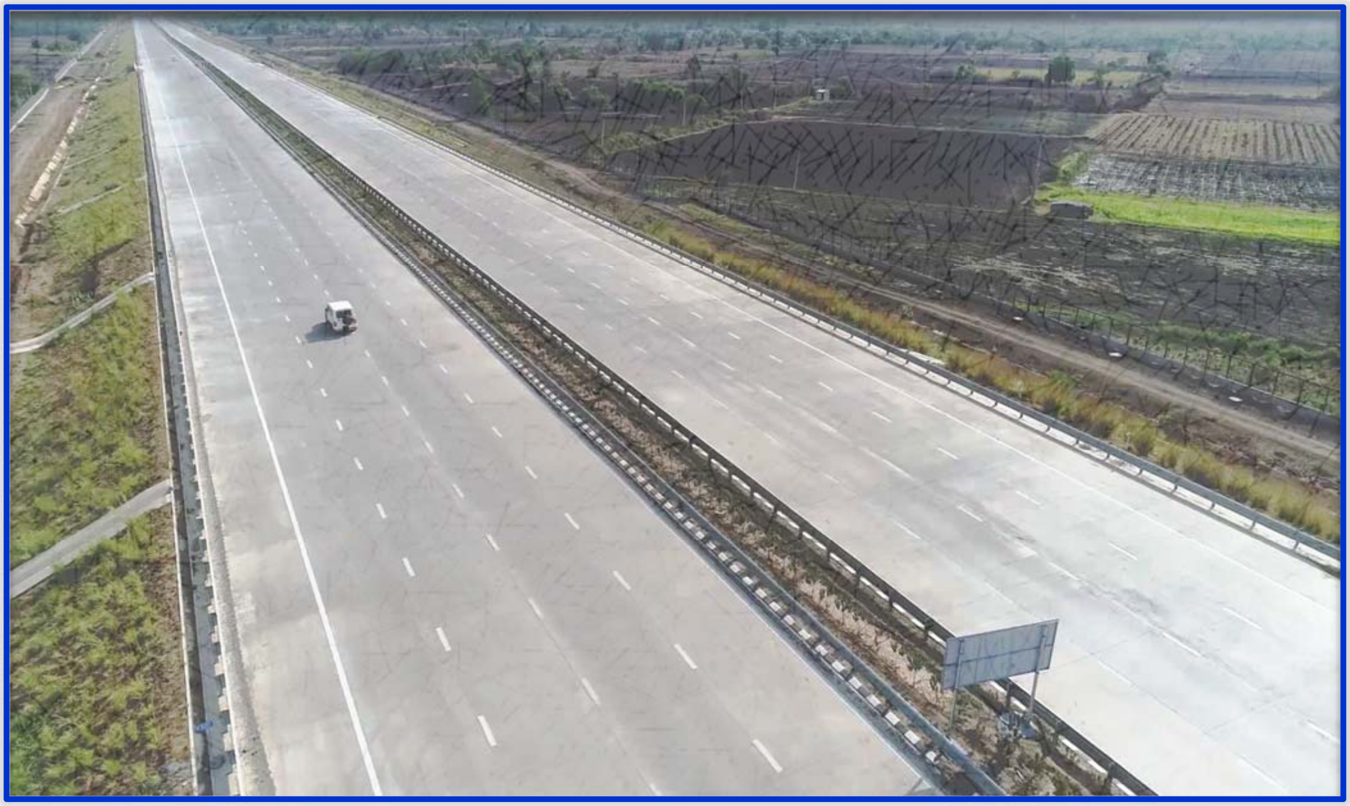
MR. PARAG VERMA
Director

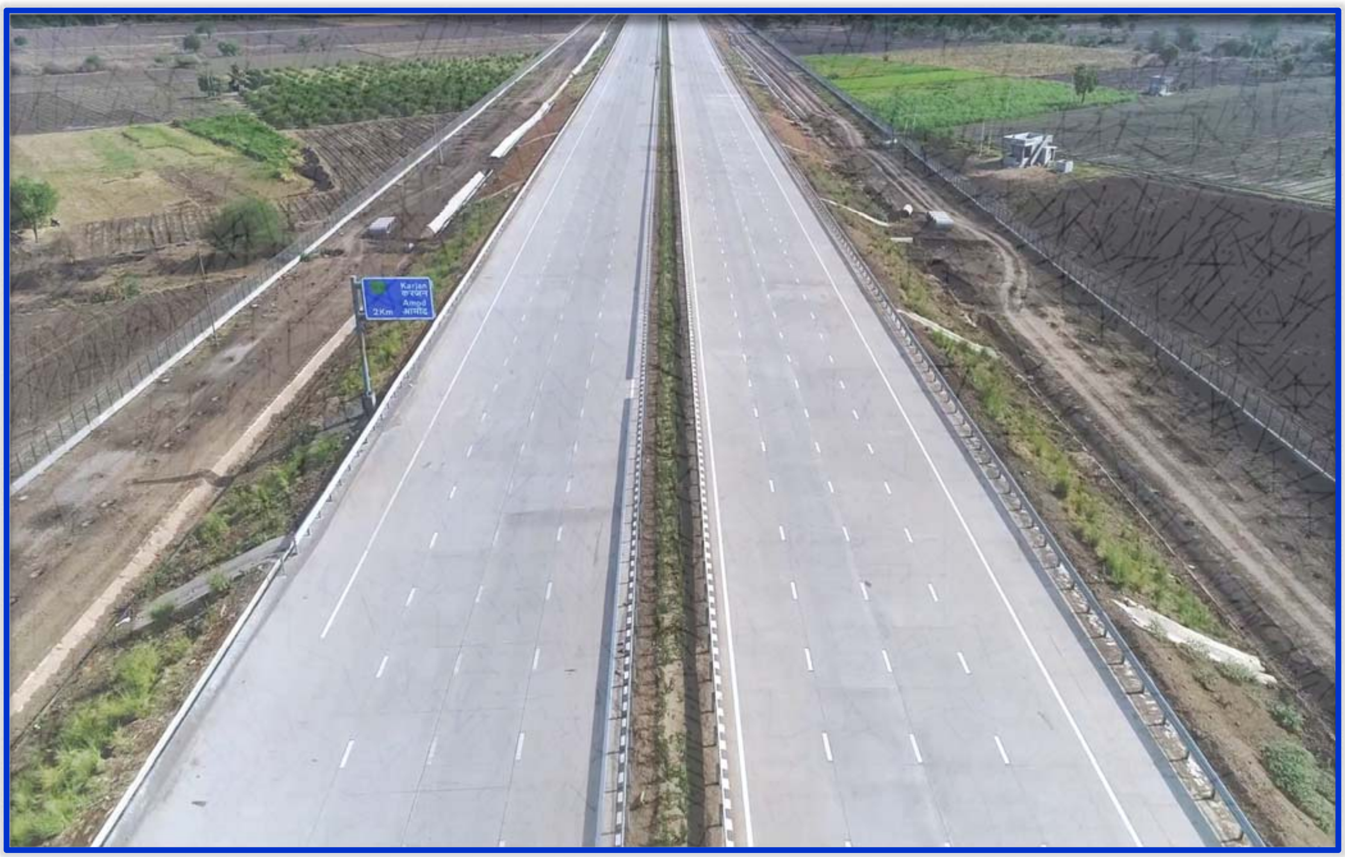
MR. MASOOD AHMAD
Director

MR. ROHIT PARMAR
Director

MS. RITU ARORA
Director

VADODARA KIM EXPRESSWAY PROJECT PHOTOGRAPHS



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KIM
VADODARA
AMINITIES AREA
@ Km 346

CHAIRMAN'S SPEECH

Dear Shareholders,✍

It gives me immense pleasure to welcome you all on behalf of the esteemed members of the Board to the Fourth (4th) Annual General Meeting (AGM) of Ircon Vadodara Kim Expressway Limited (IrconVKEL). The Director's Report and the Audited Financial Statements for the financial year ended March 31, 2022, are already with you and with your kind permission, I take them as read. I would like to express my sincere gratitude for making it convenient for attending the AGM.

I would like to place before you, few highlights of IrconVKEL.

Your Company is a wholly-owned subsidiary of Ircon International Limited (IRCON), incorporated as a Special Purpose Vehicle on May 16, 2018, to execute the project of Eight Lane Vadodara Kim Expressway from Km 323.00 to Km 355.00 (Sanpa to Padra Section of Vadodara Mumbai Expressway) (Phase – IA – Package II) in the State of Gujarat, pursuant to conditions of award of Vadodara Kim Expressway Project by NHAI. The concession period of the project comprises of construction period 730 days from the appointed date and operation period of 15 years commencing from Commercial Operation Date (COD).

The Company has achieved physical progress of approximately 93% till May, 2022. The progress of the project got adversely affected due to COVID-19 Pandemic and other delays caused due to hindrances. The Ministry of Road Transport and Highways (MoRTH) issued circulars to grant relief to Contractors/Developers of Road Sectors to mitigate impact of the Pandemic. Delay in construction caused due to Force Majeure, extension of time for the execution of the project has been submitted to NHAI and the same has been referred to Conciliation Committee of Independent Experts (CCIE). The Company is likely to achieve COD by August end.

Financial Performance

IrconVKEL has signed the Concession Agreement with NHAI at Bid Project Cost of Rs.1865 Crore excluding operation and maintenance (O&M) cost. The Company has successfully achieved payment milestone of the project set to be achieved during construction in terms of

Concession Agreement. Consequently, the Company is eligible for receipt of remaining payment of Annuity from NHAI after 180th day from the date of achievement of COD.

As on March 31, 2022, Net Worth of your Company is ₹23,990.32 Lakhs, Total Income is ₹39,970.74 Lakhs and Profit After Tax (PAT) is ₹6,015.80 Lakhs as compared to Net Worth of your Company is ₹13,633.52 Lakhs, Total Income is ₹48,761.53 Lakhs and Profit After Tax (PAT) is ₹27.54 Lakhs in the previous year.

During the year, the Company has availed the Term Loan facility for of ₹72412.00 Lakhs from Bank of Baroda (BOB). Out of ₹72412 Lakh, Bank of Baroda has disbursed ₹58950.00 Lakh to IrconVKEL on 19.07.2021 which has been utilised in repayment of entire outstanding loan amount of ₹58950.00 Lakh to IRCON.

Compliances and Disclosures

Corporate Governance: Compliances and Disclosures under the Companies Act, 2013 and rules thereunder are being fully adhered to. CPSEs constituted as Special Purpose Vehicle (SPV) are exempted from compliance with the DPE Guidelines on Corporate Governance for CPSEs. Hence, these are not applicable on your company.

Memorandum of Understanding (MoU): Your Company requested IRCON to grant it exemption from signing Memorandum of Understanding for the financial year 2022-23 in line with MoU Guidelines.

Journey Ahead

Now that we have applied to NHAI for the Provision COD and shall soon enter into Operation and Maintenance (O&M) Phase. The completion of this expressway with the support of NHAI, exceeded our commitments, and wish to reassure you that your Company will remain firmly committed to upholding its values of integrity collaboration and efficiency and creating value for all its stakeholders. I am looking forward to your patronage in our exciting journey ahead with the guidance of the Board and the counsel and partnership of my Management colleagues, employees, client and all our stakeholders.

Acknowledgements

I,on behalf of Board of Directors,express my heartfelt thanks for the valuable assistance and co-operation extended to the Company by MoRTH, NHAI, Ircon International Limited, Auditors of the Company and all those who have supported and guided us during the year. I express my deep gratitude to all employees for their dedication, intellect, hard work and tireless efforts that they put in every day with a sense of purpose and pride. And last, but not least, I would like to thank my colleagues on the Board for their guidance and continuous support.

We look forward to your continued support in our journey ahead.

For and on behalf of
Ircon Vadodara Kim Expressway Limited

Sd/-

(Ashok Kumar Goyal)
Chairman
DIN: 05308809

Date: 04.08.2022
Place: New Delhi

DIRECTORS' REPORT

Dear Members,

Your Directors have immense pleasure in presenting the **4th Annual Report of Ircon Vadodara Kim Expressway Limited (IrconVKEL)** together with the Audited Financial Statements of the Company and Auditor's Report for the financial year ended March 31, 2022.

1. BUSINESS OPERATIONAL HIGHLIGHTS: PRESENT STATE OF COMPANY'S AFFAIRS:

IrconVKEL, a wholly-owned subsidiary of IRCON, incorporated as a Special Purpose Vehicle on May 16, 2018, pursuant to conditions of award of Vadodara Kim Expressway Project in the State of Gujarat by NHAI with the main object of IrconVKEL is to carry on the business of development, maintenance and management of Eight lane Vadodara Kim Expressway from Km 323.00 to Km 355.00 (Sanpa to Padra Section of Vadodara Mumbai Expressway) in the State of Gujarat under NHDP Phase – VI Hybrid Annuity Mode (Phase IA-Package II) on design, build, finance, operate and transfer basis.

IrconVKEL has entered into Concession Agreement with NHAI on May 25, 2018 with a construction period 730 days from the Appointed Dated i.e. January 31, 2019 and operation period of 15 years commencing from Commercial Operation Date (COD) with the total bid project cost of Rs.1865 Crore excluding O&M cost. Accordingly, the Appointed Date for the project was declared on 31.01.2019 and Scheduled Completion Date was fixed at 29.01.2021. Prior to the onset of COVID-19, IrconVKEL has achieved the Project Milestone-I & Project Milestone-II by September 27, 2019 and January 25, 2020 respectively, which was well within the cure period provided in the Concession Agreement. However, from March, 2020, the progress of the work got adversely affected due to outbreak of COVID-19 pandemic and imposition of nation-wide lockdown. Later, the National Highway Authority of India (NHAI) granted extension of time (EOT) of 180 days as an interim measure on account of this Force Majeure Event of COVID-19 (1st wave). Accordingly, the Scheduled Date for Project Milestone-III and final Completion of Project was extended and IrconVKEL achieved the Project Milestone-III on March 30, 2021. Thereafter, on request of IrconVKEL, Independent Engineers (IE) recommended to NHAI for extension of additional period of 306 days i.e. upto May 30, 2022 on account of 2nd & 3rd wave of COVID -19, its continuing impact under the Force Majeure event and delay in handing over of clear work from (hindrances & utilities) which is under consideration of NHAI. This is to be approved by NHAI through Conciliation Committee of Independent Experts (CCIE). The CCIE committee has been finalized and proceedings are expected to start soon.

Further after the closure of the financial year 2021-22, your Company requested NHAI to issue a Provisional COD for 28.13 km out of 32.00 km as certified by IE and the same is under consideration with NHAI.

Your Company has availed the term loan facility for a sanction of ₹724.12 crore from Bank of Baroda (BOB). Out of ₹724.12 crore, Bank of Baroda has disbursed ₹589.50 crore to IrconVKEL on 19.07.2021 which has been utilised in repayment of entire outstanding loan amount of ₹589.50 crore to IRCON on 19.07.2021.

2. FINANCIAL HIGHLIGHTS:

In pursuance of the provisions enumerated under Companies (Indian Accounting Standards) Rules, 2015, the Company, has prepared its annual financial statements for the Financial Year 2021-22 as per Indian Accounting Standards (IND AS).

Financial performance indicators as on 31st March 2022:

(Amount in ₹ crore)

Sl.No.	Particulars	For the Year Ended 31.03.2022	For the Year Ended 31.03.2021
1.	Equity Share Capital	10.00	10.00
2.	Other Equity (includes Reserves and Surplus)	229.90	126.34
3.	Net Worth	239.90	136.34
4.	Borrowings (including current maturities)	589.50	589.50
5.	**Total Assets and Liabilities**	**933.19**	**789.35**
6.	Revenue from Operations	399.03	487.62
7.	Other Income	0.68	0.42
8.	**Total Income (6) + (7)**	399.71	488.04
9.	**Profit Before Tax**	80.29	0.42
10.	**Profit After Tax**	**60.16**	**0.28**
11.	Earnings Per Equity Share (on face value of Rs.10/- per share) (i) Basic (ii) Diluted	60.16 60.16	0.28 0.28

3. DIVIDEND & APPROPRIATION TO RESERVE:

The Board of Directors does not recommend any dividend for the financial year 2021-22

As per the applicability of IND AS, Reserves are reflected as Retained Earnings under the head 'Other Equity' in Financial Statements and your Company has a balance of ₹0.61 crore in Retained Earnings as on March 31, 2022.

4. SHARE CAPITAL/ DEMATERIALISATION:

The Authorized Share Capital and the Paid-up Share Capital of the Company as on 31st March 2022 is ₹10 crore comprising of 10,00,000 Equity Shares of Rs.10/- each. During the year ended 31st March, 2022, there was no change in the share capital of your Company, and Ircon International Limited (IRCON) continues to hold 100% paid-up share capital of IrconVKEL.

As on 31st March, 2022, the Promoter Company (IRCON) has invested ₹169.18 crore as interest free loan (which is accounted as ''Deemed Equity'' under the head ''Other Equity'' in the financial statements of IrconVKEL) in addition to ₹10 crore in equity share capital, not exceeding the total investment of Equity Share Capital of ₹179.18 crore.

As per Rule 9A of the Companies (Prospectus and Allotment of Securities) Amendment Rules, 2019 dated 22.01.2019, the Company being a wholly owned subsidiary (WoS) is not required to get its securities in dematerialised form.

5. CASH FLOWS FROM THE PROJECT:

The total Cash Flows from the operating activities during the year ended 31st March 2022 is **₹(1.08) crore**.

6. DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES:

For the period under review there was no Subsidiary/Joint Ventures/Associate Companies of the Company.

7. BOARD OF DIRECTORS & KEY MANAGEMENT PERSONNEL:

Board of Directors:

CATEGORY & NAME OF THE DIRECTORS WITH DESIGNATION DURING THE YEAR 2021-22

As per Articles of Association of the Company, the Board of the Company is appointed by the holding company, IRCON. During the FY 2022, Company's management is headed by the following Non-Executive (Nominee) Directors:

Category, Name & Designation	DIN	Appointment or Cessation (during the year, if any)
Mr. Ashok Kumar Goyal, Chairman*	05308809	-
Mr. Surajit Dutta, Director	06687032	Ceased to be Director on 31.03.2022
Mr. Shyam Lal Gupta, Director	07598920	Ceased to be Director on 13.05.2021
Mr. Raj Kumar, Director	09075791	Ceased to Director on 02.08.2021
Mr. Yogesh Kumar Misra, Director	07654014	Appointed as Additional Part-time Director and Chairman on 13.05.2021 Regularized at the 4th AGM on 18.08.2021 Ceased as Director and Chairman w.e.f. 01.10.2021
Ms. Ritu Arora, Director	07752915	Appointed as Additional Part-time Director on 13.05.2021 Regularized at the 4th AGM on 18.08.2021
Mr. Masood Ahmad, Director	09008553	Appointed as Additional Part-time Director on 02.08.2021 Regularized at the 4th AGM on 18.08.2021
Mr. Parag Verma, Director	05272169	Appointed as Additional Part-time Director on 29.12.2021

**Mr. Ashok Kumar Goyal has been nominated as the Chairman w.e.f. October 1st, 2021.*

After the closure of the FY 2021-22, IRCON (holding company) nominated Mr. Mugunthan Boju Gowda (DIN: 08517013) as Part-time Director of the Company consequent to superannuation of Mr. Surajit Dutta from IRCON (Holding Company) w.e.f. April 1st, 2022.

Later, Mr. Mugunthan Boju Gowda ceased to be Director of the Company subsequent to withdrawn of his nomination and appointment of Mr. Rohit Parmar as Part-time Director by IRCON w.e.f. June 1st, 2022.

As on the date of this report, the Board comprised of five directors viz., Mr. Ashok Kumar Goyal (DIN: 05308809), Mr. Parag Verma (DIN: 05272169), Mr. Masood Ahmad (DIN: 09008553), Ms. Ritu Arora (DIN: 00002455) and Mr. Rohit Parmar (DIN: 08190141).

The Board placed on record its appreciation for their valuable contribution and guidance & support given by Mr. Shyam Lal Gupta, Mr. Raj Kumar, Mr. Yogesh Kumar Misra, Mr. Surajit Dutta and Mr. Mugunthan Boju Gowda during their tenure as Directors of the Company.

Mr. Parag Verma (DIN: 05272169) and Mr. Rohit Parmar have been appointed as Additional Part-time Directors of the Company w.e.f. December 29, 2021 and June 1st, 2022 respectively, who shall hold office upto the date of ensuing Annual General Meeting. However, their appointment as Directors by the Shareholders has been included in the notice of ensuing AGM.

The Company has received a notice under section 160 of the Companies Act, 2013 from Mr. Parag Verma and Mr. Rohit Parmar giving their candidature for appointment as Directors, liable to retire by rotation, in the ensuing Annual General Meeting.

In accordance with the provisions of the Companies Act, 2013, Mr. Ashok Kumar Goyal shall retire by rotation at the Annual General Meeting of your Company and being eligible to offer himself for re-appointment.

None of the Directors is disqualified from being appointed/re-appointed as Director.

Key Managerial Personnel:

Pursuant to Section 203 of the Companies Act, 2013, the Board of Directors of the Company has designated the Chief Executive Officer (CEO), Chief Financial Officer (CFO) and Company Secretary (CS) as the Key Managerial Personnel (KMP) of the Company. The details of KMPs as at 31st March 2022 are as follows:

Key Personnel of Company	Date of Appointment	Designation
Mr. Nitesh Kumar G Asati	22.12.2020	Chief Executive Officer
Mr. Raj Kumar	20.11.2018	Chief Financial Officer
Mrs. Arpita Basu Roy	07.01.2022	Company Secretary

During the year, Mrs. Arpita Basu Roy was appointed as the Company Secretary of the Company w.e.f. January 7, 2022 vice Ms. Richi Mahajan, who ceased as the Company Secretary of the Company w.e.f. 18.10.2021.

8. **Board Meetings:**

During the FY 2020-21, the Board met Eight (8) times on 21.05.2021, 15.06.2021, 28.06.2021, 10.08.2021, 08.11.2021, 09.12.2021, 31.01.2022 and 08.02.2022. The interval between the Board Meetings was within the period prescribed under the Companies Act, 2013. The attendance detail of the Board Meetings is as follows:

Date of The Meeting	Board Strength	No. of Directors Present
21.05.2021	5	5
15.06.2021	5	5
28.06.2021	5	4
10.08.2021	5	5
08.11.2021	4	3
09.12.2021	4	4
31.01.2022	5	4
08.02.2022	5	4

The table below shows attendance of the Board members at the Board Meetings held during the FY 2021-22 and their attendance in the last Annual General Meeting (AGM):

Name of Director	Meeting Date								Whether attended last AGM held on 18.08.2021	Total Board Meetings entitled to attend during FY 2021-22	No. of Board Meetings attended during FY 2021-22	% of Attendance
	21.05.2021	15.06.2021	28.06.2021	10.08.2021	08.11.2021	09.12.2021	31.01.2022	08.02.2022				
Mr. Shyam Lal Gupta	-	-	-	-	-	-	-	-	NA	0	0	0
Mr. Yogesh Kumar Misra	✓	✓	✓	✓	-	-	-	-	Y	4	4	100
Mr. Ashok Kumar Goyal	✓	✓	✓	✓	L	✓	✓	✓	Y	8	7	88
Mr. Surajit Dutta	✓	✓	✓	✓	✓	✓	✓	L	Y	8	7	88
Mr. Raj Kumar	✓	✓	L	-	-	-	-	-	NA	3	2	67
Mr. Masood Ahmad	-	-	-	✓	✓	✓	L	✓	Y	5	4	80
Ms. Ritu Arora	✓	✓	✓	✓	✓	✓	✓	✓	Y	8	8	100
Mr. Parag Verma	-	-	-	-	-	-	✓	✓	NA	2	2	100

9. INDEPENDENT DIRECTORS & BOARD COMMITTEES & CORPORATE GOVERNANCE GUIDELINES ISSUED BY DPE:

In terms of notification dated July 5, 2017 issued by the Ministry of Corporate Affairs (MCA) inter-alia amending rule 4 of the Companies (Appointment and Qualification of Directors) Rules, 2014, an unlisted public company and a wholly-owned subsidiary is exempted from the requirement of appointing Independent Directors on its Board and requirement of constituting of the Board Committees viz. Audit Committee and Nomination & Remuneration Committee (NRC).

IrconVKEL, an unlisted public company and a wholly-owned subsidiary company of IRCON is, therefore, not required to appoint any Independent Director on its Board and the declaration by the Independent Directors is not applicable on the Company.

Further, in terms of Department of Public Enterprises (DPE)'s OM dated July 8-10, 2014, read with OM dated July 11, 2019, CPSE's constituted as Special Purpose Vehicle (SPV) are exempted from compliance with the DPE Guidelines on Corporate Governance for CPSEs. Hence, CG Guidelines of DPE are not applicable on IrconVKEL.

10. DIRECTORS' RESPONSIBILITY STATEMENT:

The Board of Directors of the Company confirms:

a) that in the preparation of the annual financial statements for the year ended 31st March 2022, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;

b) that such accounting policies have been selected and applied consistently and judgment and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year March 31, 2022 and of the Profit & Loss of the Company for that period ended on that date;

c) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) that the annual financial statements have been prepared on a going concern basis;

e) that proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

11. SECURED LOAN

The financial closure of the project of your Company was achieved with a commitment of the entire debt requirement of ₹769.38 crore with the holding company, IRCON. During FY 2020-21, your Company has availed term loan of Rs.724.12 crore from Bank of Baroda (BOB) to finance the project and disbursed ₹589.50 crore to IrconVKEL on July 19, 2021 which has been utilised in repayment of entire outstanding loan amount of ₹589.50 crore to IRCON on July 19, 2021.

During FY 2021-22, your Company has repaid 1st instalment of loan from BOB as per the existing repayment schedule, amounting to ₹34.48 crore (approx.) by taking unsecured loan of Rs. 34.48 crore from Holding Company, IRCON.

During the period under review, CARE Ratings Limited has provided AA rating for the long-term bank facilities of Rs. 724.12 Crore to your Company

12. IMPACT OF COVID-19:

The Company has taken all the prescribed precautions as suggested by the Government, to mitigate the impact of the novel coronavirus. The details on impact of COVID-19 pandemic has been disclosed in the Financial Statements.

13. EXTRACT OF ANNUAL RETURN:

The extract of Annual Return in Form MGT-9 pursuant to Section 92(3) of the Companies Act, 2013 read with Rule 12 of Companies (Management and Administration) Rules, 2014 is enclosed in this Report as **Annexure A.**

14. DIRECTOR'S OBSERVATION AND COMMENT'S FOR FINANCIAL STATEMENTS (EXPLANATION FOR ANY COMMENTS MADE BY AUDITORS IN THEIR REPORT:

The Notes to Accounts forming part of the financial statements are self-explanatory and need no further explanation. There are no qualifications or adverse remarks in the Auditors' Report which require any clarification/explanation.

15. AUDITORS:

Statutory Auditor:

M/s Bhasin Raghavan & Co., Chartered Accountants, had been appointed as Statutory Auditors, for the Financial Year 2021-22 vide CAG letter No. CA. V/COY/ Central Government, IVKEL(I)/1092 dated August 26, 2021. They have confirmed by way of a written consent and certificate as required under Section 139(1) of the Companies Act, 2013.

Cost Auditor:

The Board of Directors appointed M/s. R. M. Bansal & Co, Cost Accountants, as Cost Auditor of the Company for the FY 2021-22 for conducting the audit of cost records maintained by the Company as per the applicable Rules / Guidance Note, etc.

In accordance with the provisions of Section 148(1) of the Act, read with Companies (Cost Records and Audit Rules), 2014, the Company has maintained cost accounts and records.

Secretarial Auditor:

The Board of Directors appointed M/s Vasisht & Associates, Practising Company Secretary, as Secretarial Auditor of the Company for the FY 2021-22 for conducting Secretarial Audit of the Company in accordance with the provision of Section 204 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Internal Auditor:

The Board of Directors appointed M/s Ravi Rajan & Co. LLP, Chartered Accountants as Internal Auditors for the FY 2021-22, for conducting Internal Audit of the Company.

16. **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013:**

There are no transactions of loans, guarantees and investments as covered under the provisions of Section 186 of the Companies Act, 2013 during the financial year under review.

17. **PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:**

During the year, the related party transactions were the holding company, IRCON were in the ordinary course of business and on an arm's length basis and approved in terms of the Companies Act 2013. The details of the related party transactions in form AOC-2 is enclosed to this report as **Annexure – B.**

18. **MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY AFTER THE CLOSURE OF THE FINANCIAL YEAR:**

No material changes and commitments have occurred which affect the financial position of the Company between the end of the financial year and the date of this report.

19. **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:**

The particulars as prescribed under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 are set out hereunder:

A. **Conservation of energy: -**

Your Company is not engaged in any manufacturing activity and hence the furnishing of particulars is not applicable to the Company.

B. **Technology absorption: -**

Your Company is not engaged in any manufacturing activity and hence the furnishing of particulars is not applicable to the Company.

C. **Foreign exchange earnings and Outgo: -**

There was no Foreign Exchange Earnings and Foreign Exchange Outgo during the year 2021-22.

20. RISK MANAGEMENT:

In the opinion of the Board, presently the Company does not foresee any major threat/risk to the business of the Company.

21. CORPORATE SOCIAL RESPONSIBILITY (CSR):

Every company having net worth of ₹500 crore or more or turnover of ₹1000 crore or more or a net profit of ₹5 crore or more during the immediately preceding FY is required to spend in every FY, at least 2% of average net profits of the company made during the immediately three preceding FY.

Since, your company did not meet the above threshold limit in the preceding financial year ended March 31, 2021, the provision of Corporate Social Responsibility (CSR) under Section 135 of the Companies Act, 2013 is not applicable to the Company during the FY 2021-22. Hence, the requirement of constituting Corporate Social Responsibility (CSR) Committee pursuant to Section 135 of the Companies Act, 2013 is also not applicable to the Company.

However, the net profit of the Company for the financial year ended March 31, 2022 exceeds the above mentioned threshold limit, therefore, the provision of Corporate Social Responsibility (CSR) under Section 135 of the Companies Act, 2013 shall be applicable to the Company for the FY 2022-23.

22. PARTICULARS OF EMPLOYEES:

As per Notification dated June 5, 2015 issued by the Ministry of Corporate Affairs, Government Companies are exempted from complying with the provisions of Section 197 of the Companies Act, 2013 and corresponding rules under Chapter XIII.

IrconVKEL being a government company is not required to disclose information on the remuneration of employees falling under the criteria prescribed under rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel), as a part of the Directors' Report.

23. CHANGE IN THE NATURE OF BUSINESS:

There is no change in the nature of business of the company during the financial year 2021-22.

24. PUBLIC DEPOSITS:

During the year ended 31st March, 2022, your Company has not invited any deposits from its members pursuant to the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

25. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has adequate system of internal financial controls with reference to financial statements. All the transactions were properly authorized, recorded and reported to the Management. The Company is following all the applicable Indian Accounting Standards for properly maintaining the books of account and reporting in the financial statements. Your

Company continues to ensure proper and adequate systems and procedures commensurate with its size and nature of its business.

26. SIGNIFICANT MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

No order has passed by the Regulators or Courts or Tribunals impacting the going concern status of the Company and its operations in future during the FY 2021-22.

27. COMPLIANCE OF MSME GUIDELINES FOR IMPLEMENTATION OF PURCHASE PREFERENCE POLICY

In exercise of powers conferred by section 9 of the Micro, Small and Medium Enterprise Development Act, 2006, the Central Government issued instructions that all companies registered under the Companies Act, 2013 with a turnover of more than ₹500 Crore and all CPSEs shall be required to get themselves on-boarded on the Trade Receivables Discounting System (TReDS) platform, set up as per the notification of the Reserve Bank of India. The Registrar of Companies (RoC) in each State shall be the competent authority to monitor the compliance of such instructions and also the Department of Public Enterprises, Government of India shall be the competent authority to monitor the compliance of such instructions by the CPSEs. In compliance with the above instruction, the Company has boarded on the TReDS platform w.e.f. 27.09.2019, to facilitate the financing of trade receivables of MSEs by discounting of their receivables and realisation of their payment before the due date.

28. DISCLOSURE AS PER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

During the period under review, there was no complaint pending at the beginning nor any complaint relating to sexual harassment was reported pursuant Section 22 of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The Company being a wholly owned subsidiary of IRCON, 'Policy for Prevention, Prohibition and Redressal of Sexual Harassment at Workplace' of IRCON (POSH Policy) is applicable on the Company and the Internal Complaints Committee of IRCON will deal with all the compliant, if any under POSH Act.

29. VIGIL MECHANISM:

The Company has established a mechanism for directors and employees to report concerns about unethical behaviour, actual or suspected fraud, or violation of the Code. It also provides for adequate safeguards against the victimization of employees who avail the mechanism. Being a wholly owned subsidiary of IRCON, for employees nominated and deputed from IRCON, the Whistle Blower Policy of IRCON is applicable, which is available on the website at , https://www.ircon.org/images/file/cosecy/Whistle-Blower-Policy.pdf.

For other persons in employment of the Company, complaint / reporting under Vigil Mechanism, can be addressed to:

Mr. Ashok Kumar Goyal, Director,
Ircon Vadodara Kim Expressway Limited (IrconVKEL)
Address: Ircon International Limited,
C-4, District Centre, Saket, New Delhi- 110017
Phone No.: +91 9560595019, Email id: ak.goyal@ircon.org

30. RIGHT TO INFORMATION:

During the financial year 2021-22, your company has not received any application under the Right to Information Act 2005

31. PERFORMANCE EVALUATION OF BOARD MEMBERS:

Ministry of Corporate Affairs has, vide its notification dated 5th June 2015, notified the exemptions to Government Companies from certain provisions of the Companies Act, 2013 which inter-alia provides that Section 134(3)(p) regarding a statement indicating the manner of formal annual evaluation of Board, shall not apply to Government Companies in case the Directors are evaluated by the Ministry which is administratively in charge of the Company as per its evaluation methodology.

Further, the aforesaid circular issued by the MCA has also exempted that sub-sections (2), (3) & (4) of Sec. 178 regarding the appointment, performance evaluation and remuneration shall not apply to Directors of Government Companies.

Being a government company and a wholly-owned subsidiary of IRCON, all part-time Directors are nominated by the holding company, IRCON. The evaluation of these nominated directors is done by the holding company as per pre-defined criteria in line with the guidelines of the Government of India.

32. SECRETARIAL STANDARDS

During the year, the Company is in compliance with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI).

33. SECRETARIAL AUDIT REPORT

The "Secretarial Audit Report" of the Company for the financial year 2021-22 from the Secretarial Auditor in Form MR-3 as required under section 204 of the Companies Act, 2013 read with rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is placed as **Annexure – C** to this Report. The Secretarial Auditors have given an unqualified report. The report is self-explanatory and does not require any further comments by the Board.

34. STATUTORY AUDITORS' REPORT AND C&AG COMMENTS

The reports of the Statutory Auditors on the Financial Statements for FY 2021-22 with nil observation are attached separately as part of the Annual Report along with Non-Review Certificate received from Comptroller & Auditor General (C&AG) of India for the FY 2021-22.

35. APPLICATION/PROCEEDING PENDING UNDER INSOLVENCY & BANKRUPTCY CODE, 2016

There are no proceeding initiated/ pending against the Company under the Insolvency & Bankruptcy Code, 2016 which materially impact the business of the Company.

36. MEMORANDUM OF UNDERSTANDING (MoU):

Companies, that are subsidiary Company of a CPSE, will sign Annual MOU with its Holding Company pursuant to the provision of Consolidated Memorandum of Understanding (MOU) Guidelines dated March 10, 2022. Your Company, incorporated as wholly owned subsidiary of IRCON and as SPV, shall sign Annual MOU with IRCON (holding company).

During the period under review, your Company requested IRCON to grant it exemption from compliance of Annual MOU exercise in line with the MOU Guidelines.

37. ACKNOWLEDGEMENT:

We thank Ircon International Limited, Ministry of Road Transport & Highways (MORTH)/ National Highway Authority of India (NHAI), various other Government Agencies, Banks, Comptroller & Auditor General of India (CA&G), Statutory Auditors, Internal Auditors, Cost Auditor and Secretarial Auditor for their support, and look forward to their continued support in the future.

We thank our Contractors and Sub-contractors for their continued support during the year. We also place on record our appreciation for the contribution made by our employees at all levels. Our consistent growth was made possible by their hard work, solidarity, cooperation and support.

For and on behalf of Board of Directors
of Ircon Vadodara Kim Expressway Limited

sd/-
Ashok Kumar Goyal
Chairman
DIN: 05308809

Date: 04.08.2022
Place: New Delhi

ANNEXURE – A

MGT-9

FORM NO.MGT -9
EXTRACT OF ANNUAL RETURN

As on the Financial Year ended 31st March, 2022

(Pursuant to Section 92(3) of the Companies Act, 2013 and rule 12 (1) of the Companies (Management and Administration) Rules, 2014)

I. REGISTRATION & OTHER DETAILS:

1.	CIN	**U74999DL2018GOI334028**
2.	Registration Date	**16th May 2018**
3.	Name of the Company	**Ircon Vadodara Kim Expressway Limited**
4.	a) Category b) Sub-category of the Company	**Public Company** **Government Company (Wholly-owned Subsidiary Company of Ircon International Limited)**
5.	Address of the Registered office & contact details	**C-4, District Centre, Saket, New Delhi -110017** **Ph. No. 011-26545787** **Email Id: csirconvkel@gmail.com**
6.	Whether Listed Company (Yes/No)	**No**
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	**NIL**

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

All the business activities contributing 10% or more of the total turnover of the company shall be stated

S. No.	Name and Description of Main Products / Services	NIC Code of the Products/Services	% to Total Turnover of the Company
1.	Rendering Services in the nature of construction of Vadodara Kim Expressway (Sapna to Padra section of Vadodara Mumbai Expressway) Construction Services: Highway Project (Through EPC Contractor)	42101	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

S. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary / Associate	% of Shares held	Applicable Section
1	Ircon International Limited, C-4, District Centre, Saket, New Delhi - 110017	L45203DL1976GOI008171	Holding Company	100% *	Sec 2(46)

* 100% Shares held by Ircon International Limited (Ircon) and its 7 nominees.

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

I) CATEGORY-WISE SHARE HOLDING:

Category of Shareholders	**No. of Shares held at the beginning of the year, [As on 01-April-2021]**				**No. of Shares held at the end of the year [As on 31-March-2022]**				**% Change during the year**
	Demat	**Physical**	**Total**	**% of Total Shares**	**Demat**	**Physical**	**Total**	**% of Total Shares**	
A. Promoters									
(1) Indian									
a) Individual/ HUF	-	-	-	-	-	-	-	-	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.**#**	Nil	10000000	10000000	100%	Nil	10000000	10000000	100%	-
e) Banks / FI	-	-	-	-	-	-	-	-	
f) Any other	-	-	-	-	-	-	-	-	
(2) Foreign	-	-	-	-	-	-	-	-	
Total Shareholding of Promoters (A)	**Nil**	**10000000**	**10000000**	**100%**	**Nil**	**10000000**	**10000000**	**100%**	**-**
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	-	-	-	-	-	-	-	-	-
2. Non-Institutions									
a) Bodies Corp.	-	-	-	-	-	-	-	-	-
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-

i) Individual shareholders holding nominal share capital upto ` 1 lakh	-	-	-	-	-	-	-	-	-
ii) Individual shareholders holding nominal share capital in excess of ` 1 lakh	-	-	-	-	-	-	-	-	-
c) Others (specify)	-	-	-	-	-	-	-	-	-
Non Resident Indians	-	-	-	-	-	-	-	-	-
Overseas Corporate Bodies	-	-	-	-	-	-	-	-	-
Foreign Nationals	-	-	-	-	-	-	-	-	-
Clearing Members	-	-	-	-	-	-	-	-	-
Trusts	-	-	-	-	-	-	-	-	-
Foreign Bodies	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	-	-	-	-	-	-	-	-	-
Total Public Shareholding (B)=(B)(1)+ (B)(2)	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	**Nil**	**10000000**	**10000000**	**100%**	**Nil**	**10000000**	**10000000**	**100%**	**-**

Notes:
1. *IrconVKEL is a wholly-owned subsidiary company of Ircon International Limited (IRCON).*
2. *99,99,300 shares of ₹10/- each held by IRCON and 700 shares of ₹10/- each are held by 7 nominees shareholders "for and on behalf of Ircon International Limited" i.e. each nominee shareholder is holding 100 shares.*

II) SHAREHOLDING OF PROMOTERS:

S. No.	Shareholder's Name	Shareholding at the beginning of the year, as on 1st April 2021			Shareholding at the end of the year, as on 31st March 2022			% Change in Shareholding during the Year
		No. of Shares	% of Total Shares of the Company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of Total Shares of the company	%of Shares Pledged / encumbered to Total Shares	
1	Ircon International Limited	10000000	100%	Nil	10000000	100%	Nil	-
	Total	**10000000**	**100%**	**Nil**	**10000000**	**100%**	**Nil**	**-**

** **Shareholding of Promoters**: List of shareholdings by IRCON and its nominees as on 31st March, 2022, are attached herewith as **Annexure***

III) CHANGE IN PROMOTERS' SHAREHOLDING:

SN	Particulars	Shareholding at the beginning of the Year		Cumulative Shareholding during the Year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1.	At the Beginning of the Year	NIL			
2.	Date wise Increase / (Decrease) in Promoters Shareholding during the year specifying the reasons for increase / (decrease) (e.g. allotment /transfer / bonus/ sweat equity etc.):				
3.	At the End of the Year				

IV) SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS:
(OTHER THAN DIRECTORS, PROMOTERS AND HOLDERS OF GDRS AND ADRS):

SN	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of Total Shares of the Company
1.	At the Beginning of the Year	NOT APPLICABLE			
2.	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):				
3.	At the End of the Year				

V) SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Shareholding of Each Director(s) and Each Key Managerial Personnel*	Shareholding at the beginning of the Year, as on 31st March 2021		Cumulative Shareholding during the Year as on 31st March 2022	
	No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
At the Beginning of the Year	-			
Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	NIL			
At the End of the Year				

** 100 Equity Shares of Rs.10 each are held by Mr. Yogesh Kumar Misra (resigned w.e.f. 01.10.2021), Mr. Shyam Lal Gupta (resigned w.e.f. 13.05.2021), Mr. Ashok Kumar Goyal, and Mr. Parag Verma, Directors of the Company "For and on behalf of Ircon International Limited".*

VI) INDEBTEDNESS - Indebtedness of the Company including interest outstanding/accrued but not due for payment.

(Amount in ₹ crore)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	589.50	-	589.50
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	589.50	-	589.50
Change in Indebtedness during the financial year				
* Addition	589.50	34.48	-	623.98
* Reduction	(34.48)	(589.50)	-	(623.98)
Net Change	555.02	(555.02)	-	-
Indebtedness at the end of the financial year				
i) Principal Amount	555.02	34.48	-	589.50
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	10.49	18.77	-	29.26
Total (i+ii+iii)	565.51	53.25		618.76

VII) REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

A. <u>REMUNERATION TO MANAGING DIRECTOR, WHOLE-TIME DIRECTORS AND / OR MANAGER:</u>

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
1.	Gross salary	NOT APPLICABLE	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961		
2.	Stock Option		
3.	Sweat Equity		
4.	Commission - as % of profit - others, specify…		
5.	Others, please specify		
	Total (A)		
	Ceiling as per the Act		

**IrconVKEL has part-time Director nominated on the Board by "IRCON", the holding company. They do not draw any remuneration from the Company. No sitting fees is paid to the Part-time Directors.*

B. REMUNERATION TO OTHER DIRECTORS:

SN.	Particulars of Remuneration	Name of Directors	Total Amount
1	Independent Directors		
	Fee for attending board committee meetings		
	Commission		
	Others, please specify		
	Total (1)	**NOT APPLICABLE**	
2	Other Non-Executive Directors		
	Fee for attending board committee meetings		
	Commission		
	Others, please specify		
	Total (2)		
	Total (B)=(1+2) @		
	Total Managerial Remuneration		
	Overall Ceiling as per the Act		

@ All the Part-time Directors during the financial year 2021-22 are nominated on the Board by the holding company; do not draw any remuneration from the Company. No sitting fee is paid to the Part-time Directors.

C.REMUNERATION TO KEY MANAGERIAL PERSONNEL (OTHER THAN MD/MANAGER/WTD):

(Rs. in Lakhs)

S.No.	Particulars of Remuneration	Key Managerial Personnel				
		Mr. Nitesh Kumar G Asati, CEO	**Mr. Raj Kumar, CFO**	**Ms. Richi Mahajan, CS (upto 18.10.2021)**	**Mrs. Arpita Basu Roy, CS (w.e.f. 07.01.2022)**	**Total**
1	Gross Salary	18.37	17.64	2.83	1.04	39.88
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-	-
2	Stock Option	-	-	-	-	-
3	Sweat Equity	-	-	-	-	-
4	Commission	-	-	-	-	-
	- as % of profit	-	-	-	-	-
	others, specify…					

5.	- Performance related pay (PRP)	3.37	2.81	-	-	6.18
	- Medical benefits (post retirement)	3.22	2.45	-	-	5.67
	- Retirement benefits (Pension, PF)	2.92	2.31	0.36	0.06	5.65
	Total	**27.88**	**25.21**	**3.19**	**1.10**	**57.38**

Note: *Section 197 of the Companies Act, 2013 is exempt for Government Companies in terms of notification dated 5th June 2015 of the Ministry of Corporate Affairs*

VIII) PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES*:

Type	Section of the Companies Act	Brief Description	Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. DIRECTORS					
Penalty	-	-	-	-	-
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty	-	-	-	-	-
Punishment					
Compounding					

For and on behalf of Board of Directors
of Ircon Vadodara Kim Expressway Limited

sd/-

Ashok Kumar Goyal
Chairman
DIN: 05308809

Date: 04.08.2022
Place: New Delhi

Annexure

List of Shareholding by Ircon International Limited and its nominees (as on 31st March 2022)

S. No.	Name of the Shareholder	No. of shares held (of ₹ 10/- each)
1	Ircon International Limited	99,99,300
2	Ashok Kumar Goyal	100
3.	Shyam lal Gupta	100
4.	Yogesh Kumar Misra	100
5.	Subhash Chand	100
6.	Parag Verma	100
7.	Surajit Dutta	100
8.	Mugunthan Boju Gowda	100

* *After Closure of FY 2021-22, IRCON withdrawn nomination of Mr. Yogesh Kumar Misra and Mr. Surajit Dutta as nominee shareholder and nominated Mr. Surender Singh and Ms. Ritu Arora.*

* *100 shares each held by seven nominee shareholders, all are officials of IRCON, Holding Company.*

ANNEXURE -B

FORM NO. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8 (2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto for the financial year 2021-22

1. **Details of contracts or arrangements or transactions not at arm's length basis: NIL**
2. **Details of material contracts or arrangements or transactions at arm's length basis: as follows**

Sr. No.	Nature of contracts or arrangements or transactions	Duration of the contracts or arrangements or transactions	Salient terms of the Contracts or Arrangements or Transactions including the value, if any	Date(s) of approval by the Board, if any:	Amount paid as advances, if any:
1.	**EPC Agreement** (For Appointing Ircon International Limited as EPC Contractor for development, maintenance and management of Eight lane Vadodara Kim Expressway from Km 323.00 to Km 355.00 (Sanpa to Padra Section of Vadodara Mumbai Expressway) in the State of Gujarat	730 days from the appointed date and as extended by NHAI subsequently	Agreement dated 09.11.2018 and addendums dated 10.08.2019 & 03.01.2020 The Contract has been awarded to IRCON for a consideration of ₹1,377.73 Crores inclusive GST @ 12%.	-	NIL
2.	**Lease Agreement** (To take on lease the Office Premises of IRCON)	Three Years (17.05.2021 to 31.03.2023)	Lease Agreement executed on 2nd June, 2021 for rent @ ₹21,236/- p.m. plus GST	-	NIL (As on Date)

Note:

1. Apart from above said transactions, other transactions & arrangements entered with related parties at arm's length basis and in ordinary course of business as approved by the Board of Directors are as follows:

a. IRCON has deputed its employees i.e. CEO, CFO and other staffs to IrconVKEL and the salary, benefits (like PF, GIS, Society deduction, related payments, etc.) and other miscellaneous payment in nature of travelling / ticket cost etc. paid to such deputed employees as per IRCON's policy are reimbursed on actual cost basis.

b. IrconVKEL has assigned the work to IRCON for setting of additional pressure swing absorption (PSA) Medical Oxygen Plant at SSG Hospital Vadodara in the State of Gujarat under PM CARES FUND at a consideration of Rs. 14.39 Lakhs (including taxes) as per instruction of NHAI and payment has also been received from NHAI.

For and on behalf of Board of Directors
of Ircon Vadodara Kim Expressway Limited

sd/-

Ashok Kumar Goyal
Chairman
DIN: 05308809

Date: 04.08.2022
Place: New Delhi

FORM NO. MR-3

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR 2021-22

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
IRCON VADODARA KIM EXPRESSWAY LIMITED
CIN: U74999DL2018GOI334028
C-4, District Centre, Saket, South Delhi, Delhi-110017, India

I, Shobhit Vasisht, Proprietor of Vasisht & Associates, have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **IRCON VADODARA KIM EXPRESSWAY LIMITED** (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on the verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has during the audit period covering the financial year ended on March 31, 2022 complied with the statutory provisions listed hereunder and also that the Company has proper Board- processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2022 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder**;(Not Applicable to the Company)**

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder; **;(Not Applicable to the Company)**

(iv) The Foreign Exchange Management Act, 1999 and the rules made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **;(Not Applicable to the Company)**

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **(Not Applicable to the Company)**

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; **(Not Applicable to the Company)**

(c) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; **(Not Applicable to the Company)**

(d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(Not Applicable to the Company)**

(e) The Securities and exchange board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **(Not Applicable to the Company)**

(f) The Securities and Exchange Board of India (Issue and Listing of Debt securities) Regulations, 2008; **(Not Applicable to the Company)**

(g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 and amendments thereof regarding the Companies Act and dealing with client; **(Not Applicable to the Company)**

(h) The Securities and Exchange Board of India (Delisting of Equity shares) Regulations, 2009; **(Not Applicable to the Company)**

(i) The Securities and Exchange Board of India (Buy back of securities) Regulations, 2018; **(Not Applicable to the Company)**

(vi) I further report that the system and processes of the company are in place to ensure the compliance with general laws like Labour Laws, The Indian Contract Act, The Sexual Harassment of women at workplace (Prevention, Prohibition and Redressal) Act, 2013 etc. For the purpose of examining adequacy of compliance with other applicable laws including industry / sector specific laws, under both Central and State legislation, reliance has been placed on the representation made by the company and its officers for systems and mechanism formed by the company for the compliance under these laws.

I have also examined compliance with the applicable provisions of the following:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to Board and General meeting;

(ii) Guidelines on Corporate Governance for Central Public Sector Enterprises (CPSEs) issued by the Department of Public Enterprises vide their OM No. 18(8)/2005-GM dated 14th May, 2010.

(However, it is understood that as the Company is constituted as Special Purpose Vehicle (SPV) got an exemption for appointment of independent directors, submitting Quarterly report and other Compliances of Corporate Governance Guidelines issued by Department of Public Enterprises (DPE), vide its O.M. dated July 11, 2019 and July 8, 2014.)

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Standards and Guidelines etc. mentioned above.

I further report that:

- The Board of Directors of the Company has been duly constituted with Non-Executive Directors (including Women Director) as nominated by its Holding company("Ircon International Limited"),as per the Articles of Association of the Company. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

- Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, except for meetings of the Board of Directors, where consent for shorter notice was obtained. System exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

- All decisions at the Board Meetings, as represented by the management, were taken unanimously as recorded in the minutes of the meeting of the Board of Directors.

- As per the explanations given to me and the representations made by the Management and relied upon by me, there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

During the period under review, as explained and represented by the management, following specific events/actions in pursuance of the above referred laws, rules, regulations, guidelines, standards etc., having a major bearing on the Company's affairs:

1. The Company has availed Term Loan of Rs.724.12 Crores from Bank of Baroda (BOB) to finance the project and repaid Term Loan of Rs.589.50 Crores availed from its holding Company, Ircon International Limited.

For VASISHT & ASSOCIATES;
(Company Secretaries)

Sd/-
CS SHOBHIT VASISHT
UDIN: F011517D000275871
PR No: 844/2020
FCS No: 11517
C P No: 21476

Date: May 05, 2022
Place: Faridabad

Note: This report is to be read with the letter of even date which is annexed as Annexure A and forms an integral part of this report.

Annexure-C1

To,
The Members,
IRCON VADODARA KIM EXPRESSWAY LIMITED
CIN: U74999DL2018GOI334028
C-4, District Centre, Saket, South Delhi, Delhi-110017, India

This report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on the audit.

2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, i followed provide a reasonable basis for my opinion.

3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.

5. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

FOR VASISHT & ASSOCIATES;
(Company Secretaries)

Sd/-
CS SHOBHIT VASISHT
UDIN : F011517D000275871
PR No: 844/2020
FCS No: 11517
C P No: 21476

Date: May 05, 2022
Place: Faridabad

BHASIN RAGHAVAN & CO.
CHARTERED ACCOUNTANTS

F-48, Bhagat Singh Market,
Near Gole Market,
New Delhi-110001
Phone : 23364607, 23361808, 23347845
E-Mail : bhasinraghavan@gmail.com

INDEPENDENT AUDITORS'REPORT
TO THE MEMBERS OF IRCON VADODARA KIM EXPRESSWAY LIMITED

Report on the Audit of the Ind AS Financial Statements

Opinion

We have audited the Ind AS financial statements of **IRCON VADODARA KIM EXPRESSWAY LIMITED** (the "Company"), which comprise the Balance Sheet as at 31st March 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules,2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date .

Basis for Opinion

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Ind AS Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Emphasis of matter

We draw attention to Note No- 31(g) of the financial statements regarding change in estimates related to the Revenue Recognition and revenue for the year includes profit margin of Rs 6361.03 lacs on the cost incurred up to 31-03-2021.

Our opinion is not modified in respect of above matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Ind AS Financial Statements of the current period. These matters were addressed in the context of our audit of the Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no Key Audit Matters to communicate in our report.

Information Other than the Ind AS Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Company's annual report but does not include the Ind As financial statements and our auditor's report thereon.

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

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

Responsibilities of Management and Those Charged with Governance for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015,as amended from time to time.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Ind AS Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Ind AS financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the **Annexure A**, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143(3) of the Act, we report that:

   a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   c. The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), and the Cash Flow Statement and the Statement of Change in Equity dealt with by this Report are in agreement with the books of account.

d. In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

e. Being a government company, provision of section 164(2) of the Act are not applicable pursuant to the notification No. G.S.R.463(E) dated 5th June 2015, issued by the Central Government of India.

f. With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**".

g. Being a government company, provision of section 197 of the Act are not applicable vide notification no. GSR 463 (E) dated 5th June 2015, issued by the Central Government of India.

h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 as amended, in our opinion and to the best of our information and according to the explanations given to us:

   i. The Company does not have any pending litigations which would have a material impact on its financial position.

   ii. Based on the assessment made by the Company, there are no material foreseeable losses on long-term contracts that may require any provisioning. The Company did not have any derivative contracts for which there were any material foreseeable losses.

   iii. There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Company

   iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the

Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under and (b) above, contain any material misstatement.

v. The Company has not proposed, declared or paid any final or interim dividend during the period and until the date of this report, therefore, the reporting under clause is not applicable.

3. As required by Section 143(5) of the Act and as per directions issued by Comptroller and Auditor General of India, we report that:

S.No	Directions	Auditor's Replies
1.	Whether the company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the Integrity of the accounts along with the financial implications, if any, may be stated.	The Company has tally system to process all the accounting transactions and used for preparation of the financial accounts. No accounting transactions have been processed outside the IT System.
2.	Whether there is any	No, Company is having

	restructuring of an existing loan or cases of waiver/write off of debts/loans/interest etc. made by a lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated. Whether such cases are properly accounted for? (In case, lender is a Government company, then this direction is also applicable for statutory auditor of lender company).	no case of any restructuring of an existing loan or cases of waiver/write off of debts/loans/interest etc. made by a lender to the company due to the company's inability to repay the loan.
3.	Whether funds (grants/subsidy etc.) received/receivable for specific schemes from Central/State Government or its agencies were properly accounted for/utilized as per its term and conditions? List the cases of deviation	According to the information and explanation given to us and as per our examination of records, no funds have been received/receivable for any specific scheme from Central/State Government or its agencies during the financial year 2021-22.

For Bhasin Raghavan & Co
Chartered Accountants
Firm Registration No:000197N

(Partner)
Membership No: 093458
UDIN-22093458AJLFGA7933

Place: New Delhi
Date:17-05-2022

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of IRCON VADODARA KIM EXPRESSWAY LIMITED of even date)

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

i. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant, Equipment and intangible assets.

(b) The Property, Plant and Equipment were physically verified by the management during the year. There is a regular program of verification, which in our opinion, is reasonable having regard to the size of the Company and nature of its business. No material discrepancies were noticed on such verification.

(c) During the year no assets has been revalued by the Company, hence reporting under clause 3 (i) d of the Order is not applicable to the Company.

(d) The Company does not have any immovable properties during the year, hence reporting under clause 3 (i) (c), and 3 (i) (e) of the Order is not applicable to the company.

ii. (a) The Company does not have any inventory, hence reporting under clause 3 (ii) (a) of the Order is not applicable to the company.

(b) The Company has not been sanctioned any working capital limits, in excess of Rs 5 Crores, in aggregate at any point of time during the year, from banks or financial institutions on the basis of security of current assets, hence reporting under clause 3(ii)(b) of the Order is not applicable.

iii. The Company has not made investments in, provided any guarantee or security, or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships, and any other parties, during the year, hence reporting under clause 3(iii) (a), (b), (c), (d) and (e) of the Order is not applicable to the Company.

iv. The Company has not granted loan, made investment, and provided guarantee and security, hence clause 3(iv) of the Order is not applicable to the Company.

v. The Company has not accepted any deposit or amounts which are deemed to be deposits,` hence reporting under clause 3(v) of the Order is not applicable.

vi. The Company has maintained cost records specified by the Central Govt. under the provisions of section 148(1) of the Companies Act, 2013. However, we are neither required to carry out, nor have carried out any detailed examination of such accounts and records.

vii. In respect of statutory dues:

a. In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and other material statutory dues applicable with the appropriate authorities. There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and other statutory dues in arrears as at March 31, 2022 for a period of more than six months from the date they became payable.

b. According to the information and explanation given to us, and as per examination of records of the Company, there is no amount payable in respect of Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess, which have not been deposited as on March 31, 2022 on account of any dispute.

viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

ix. (a) In respect of loans and borrowings taken by the Company, based on our review of accounts and as per information provided, the Company has not defaulted in payment of loans or other borrowing or in the payment of interest thereon during the year under audit.

(b) The Company has not been declared willful defaulter by any bank or financial institution or any other lender

(c) Term loans received by the Company were applied for the purpose for which the loans were obtained.

(d) On an overall examination of the financial statements of the Company, funds raised by the Company on short term basis have not been utilized for long term purposes.

(e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its Associates.

(f) The Company has not raised any loans during the year on the pledge of securities held in associates, hence reporting under clause 3(ix)(f) of the Order is not applicable.

x. (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the period and hence reporting under clause 3(x) (a) of the Order is not applicable.

(b) During the period, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally), hence reporting under clause 3(x)(b) of the Order is not applicable.

xi. (a) According to information and explanation given to us, no fraud by the company and no fraud on the Company has been noticed or reported during the year.

(b) No report under sub-section (12) of section 143 of the Companies Act has been filed by the Auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

(c) No whistle blower complaints received by the Company during the year (and upto the date of this report),

xii. The Company is not a Nidhi Company , hence reporting under clause (xii) of the Order is not applicable.

xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.

xiv (a) In our opinion and based on our examination the Company has an adequate internal audit system commensurate with the size and the nature of its business,

(b) We have considered the internal audit reports for the year under audit, issued to the Company during the year and till date.

xv According to the information and explanation given to us , in our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors, hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

xvi (a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934, hence reporting under clause 3(xvi) (a) and (b) of the Order is not applicable.

(b) According to the information provided and explanation given in our opinion, the Company is not engaged in the business which attracts the requirement of registration of the Company as Core Investment Company and further, there is no Core Investment Company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016), hence reporting under clause 3(xvi) (c) and (d) of the Order are not applicable.

xvii The Company has not incurred cash losses during the year covered by our audit and in the immediately preceding financial year.

xviii There has been no resignation of the statutory auditors of the Company during the year.

xix On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx (a) There is no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects for requiring a transfer to a fund specified in schedule VII to the Companies Act in compliance with second proviso to sub section (5) of section 135 of the said Act. Accordingly reporting under clause 3(xx)a of the order is not applicable for the year.

(b) There is no amount incurred towards Corporate Social Responsibility (CSR) on ongoing projects for the year.

xxi The Company is not required to prepare the consolidated financial statements, hence reporting under clause (xxi) of the Order is not applicable.

For Bhasin Raghavan & Co
Chartered Accountants
Firm Registration No:000197N

(Partner)
Membership No: 093458
UDIN-22093458AJLFGA7933

Place: New Delhi
Date:17-05-2022

nexure B" to the Independent Auditors' Report of even date on the Ind AS Financial Statements of Ircon Vadodara Kim Expressway Limited for the period ended 31st March, 2022

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

We have audited the internal financial controls over financial reporting of **Ircon Vadodara Kim Expressway Limited** ("the Company") as of March 31, 2022 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended 31st March 2022.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on, "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI)". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, "based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

For Bhasin Raghavan & Co
Chartered Accountants
Firm Registration No:000197N

(Partner)
Membership No: 093458
UDIN-22093458AJLFGA7933

Place: New Delhi
Date:17-05-2022

IRCON VADODARA KIM EXPRESSWAY LIMITED
CIN - U74999DL2018GOI334028
BALANCE SHEET AS AT 31st March 2022

(Rs in Lakh)

	Particulars	Note No.	As at 31st March 2022		As at 31st March 2021	
I.	ASSETS					
1	Non-Current Assets					
	(a) Property, Plant and Equipment	3	0.39		0.92	
	(b) Capital Work-in-Progress		-		-	
	(c) Investment Property		-		-	
	(d) Intangible Assets		-		-	
	(e) Intangible Assets under Development		-		-	
	(f) Right-of-use Assets		-		-	
	(g) Financial Assets	4				
	(i) Investments		-		-	
	(ii) Loans	4.1	1.05		-	
	(iii) Others	4.2	80,729.57		40,826.36	
	(h) Deferred Tax Assets (Net)	5	12.32		2.54	
	(i) Other Non-Current Assets		-		-	
	Total Non-Current Assets			80,743.33		40,829.82
2	Current Assets					
	(a) Inventories		-		-	
	(b) Financial Assets	6				
	(i) Investments		-		-	
	(ii) Trade Receivables	6.1	233.35		4,429.14	
	(iii) Cash and Cash Equivalents	6.2	113.70		37.69	
	(iv) Other Bank Balances	6.3	-		-	
	(v) Loans	6.4	0.60		0.20	
	(vi) Others	6.5	3,480.74		23,025.58	
	(c) Current Tax Assets (Net)	7	437.91		1,001.89	
	(d) Other Current Assets	8	8,308.96		9,610.43	
	(e) Assets held for Sale		-		-	
	Total Current Assets			12,575.26		38,104.93
	Total Assets			93,318.59		78,934.75
II.	EQUITY AND LIABILITIES					
1	Equity					
	(a) Equity Share Capital	9	1,000.00		1,000.00	
	(b) Other Equity	10	22,990.32		12,633.52	
	Total Equity			23,990.32		13,633.52
2	Liabilities					
(i)	Non-Current Liabilities					
	(a) Financial Liabilities	11				
	(i) Borrowings	11.1	52,053.62		57,118.14	
	(ii) Trade Payables					
	- Total Outstanding Dues of Micro Enterprises and Small Enterprises		-		-	
	- Total Outstanding Dues of Creditors Other than of Micro Enterprises and Small Enterprises		-		-	
	(iii) Other Financial Liabilities	11.2	-		-	
	(b) Provisions		-		-	
	(c) Deferred Tax Liabilities (Net)		-		-	
	(d) Other Non-Current Liabilities		-		-	
	Total Non-Current Liabilities			52,053.62		57,118.14
(ii)	Current Liabilities					
	(a) Financial Liabilities	12				
	(i) Borrowings	12.1	6,896.38		1,831.86	
	(ii) Trade Payables	12.2				
	- Total Outstanding Dues of Micro Enterprises and Small Enterprises		-		-	
	- Total Outstanding Dues of Creditors Other than of Micro Enterprises and Small Enterprises		9,278.02		227.79	
	(iii) Other Financial Liabilities	12.3	875.10		1,097.89	
	(b) Other Current Liabilities	13	225.15		5,025.55	
	(c) Provisions		-		-	
	(d) Current Tax Liability (Net)		-		-	
	Total Current Liabilities			17,274.65		8,183.09
	Total Equity and Liabilities			93,318.59		78,934.75
III.	Summary of Significant Accounting Policies	1 - 2				
IV.	Notes forming part of Financial Statements	3 - 40				

As per our Report of even date attached

For Bhasin Raghavan & Co
Chartered Accountants
FRN : 000197N

Vikram Singh
Partner
M. No. 093458

Place : New Delhi
Date : 17.05.2022

UDIN-22093458AJLFSA7933

For Ircon Vadodara Kim Expressway Limited

B MuguntHan
Director
DIN - 08517013

Masood Ahmad
Director
DIN - 09008553

Nitesh Kumar G Asati
CEO

Raj Kumar
CFO

Arpita Basu Roy
CS

IRCON VADODARA KIM EXPRESSWAY LIMITED
CIN - U74999DL2018GOI334028
STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED 31st March 2022

(Rs in Lakh)

	Particulars	Note No.	For the year ended 31st March 2022	For the year ended 31st March 2021
I.	**Revenue :**			
	Revenue from operations	14	39,903.21	48,761.53
II.	Other income	15	67.53	42.22
III.	**Total Income (I + II)**		**39,970.74**	**48,803.75**
IV.	**Expenses:**			
	Project Expenses	16	27,569.74	46,787.21
	Other Expenses	16	1.49	1.20
	Employee Benefits Expenses	17	164.31	186.14
	Finance Costs	18	4,205.87	1,786.53
	Depreciation, Amortisation and Impairment	19	0.53	0.45
	Total Expenses (IV)		**31,941.94**	**48,761.53**
V.	**Profit Before exceptional items and Tax (III - IV)**		8,028.80	42.22
VI.	Exceptional items		-	-
VII.	Profit before tax (V + VI)		8,028.80	42.22
VIII.	Tax expenses:			
	(1) Current tax			
	- For the Period		2,022.28	11.23
	- For earlier years (net)		0.50	0.53
	(2) Deferred tax (net)		-9.78	2.92
	Total Tax Expense		2,013.00	14.68
IX	**Profit for the year from continuing operation (VII - VIII)**		**6,015.80**	**27.54**
X	Other Comprehensive Income			
	A. (i) Items that will not be reclassified to profit or loss		-	-
	(ii) Income Tax relating to Items that will not be reclassified to profit or loss		-	-
	B. (i) Items that will be reclassified to profit or loss		-	-
	(ii) Income Tax relating to Items that will be reclassified to profit or loss		-	-
			-	-
XI	**Total Comprehensive Income for the year (IX +X) (Comprising profit/(loss) and other comprehensive income for the year, net of tax)**		**6,015.80**	**27.54**
XII	Earnings Per Equity Share:			
	(For Continuing Operation)			
	(1) Basic	29	60.16	0.28
	(2) Diluted		60.16	0.28
	Face Value Per Equity Share		10.00	10.00
XIII	Summary of Significant Accounting policies	1 - 2		
XIV	Notes forming part of financial statements	3 - 40		

As per our Report of even date attached

For Bhasin Raghavan & Co
Chartered Accountants
FRN : 000197N

Vikram Singh
Partner
M. No. 093458

For Ircon Vadodara Kim Expressway Limited

B Muguntham
Director
DIN - 08517013

Masood Ahmad
Director
DIN - 09008553

Nitesh Kumar G Asati
CEO

Raj Kumar
CFO

Arpita Basu Roy
CS

Place : New Delhi
Date : 17.05.2022

IRCON VADODARA KIM EXPRESSWAY LIMITED
CIN - U74999DL2018GOI334028
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31st March 2022

(Rs in Lakh)

Particulars		For the year ended 31st March 2022		For the year ended 31st March 2021	
CASH FLOW FROM OPERATING ACTIVITIES					
Net Profit before taxation		8,028.80		42.22	
Adjustment for :					
Depreciation, amortization and impairment		0.53		0.45	
Loss on sale of assets (net)		-		-	
Interest expense on Loan		4,201.74		1,772.73	
Interest Income		(15.68)		(42.22)	
Operating Profit before Current /Non-Current Assets and Liabilities	(1)		12,215.39		1,773.18
Adjustment for :					
Decrease / (Increase) in Trade Receivables/ Financial Assets - Loans		4,195.79		7,032.09	
Decrease / (Increase) in Other Assets & Financial Assets		(19,058.43)		(27,174.64)	
(Decrease) / Increase in Trade Payables		9,050.23		(16,270.63)	
(Decrease) / Increase in Other Liabilities, Financial Liabilities & Provisions		(5,052.46)		(4,632.22)	
	(2)		(10,864.87)		(41,045.41)
Cash Generated From Operations	(1+2)		1,350.52		(39,272.23)
Income Tax Paid			(1,458.80)		(180.24)
NET CASH FROM OPERATING ACTIVITIES	(A)		-108.28		-39,452.47
CASH FLOW FROM INVESTING ACTIVITIES					
Purchase of Property, Plant and Equipment including CWIP			-		(0.48)
Sale of Property, Plant and Equipments & Intangible Assets			-		-
Interest Received			15.77		42.38
(Investment) / Maturity of Bank Deposits (having maturity of more than 3 months)			-		-
NET CASH FROM INVESTING ACTIVITIES	(B)		15.77		41.90
CASH FLOW FROM FINANCING ACTIVITIES					
Issue of Equity Share Capital			-		
Loan From Ircon International Limited			3,448.00		40,850.00
Interest expense on Loan			(4,172.48)		(1,772.73)
Loan from Bank of Baroda			58,950.00		-
Repayment of Loan to Ircon International Limited			(58,950.00)		-
Repayment of Loan from Bank of Baroda			(3,448.00)		-
Receipt of Interest Free Loan from Ircon International Limited			4,341.00		-
NET CASH FROM FINANCING ACTIVITIES	(C)		168.52		39,077.27
Effect of Exchange differences on translation of Foreign Currency Cash & Cash Equivalents	(D)		-		-
NET INCREASE / (DECREASE) IN CASH & CASH EQUIVALENTS	(A+B+C+D)		76.01		-333.30
CASH AND CASH EQUIVALENTS (OPENING)	(E)				
Cash in Hand		-			
Balances with banks:		-			
– On current accounts		6.69		1.04	
– Flexi Accounts		31.00		29.00	
– Deposits with original maturity of less than 3 months		-	37.69	340.95	370.99
CASH AND CASH EQUIVALENTS (CLOSING)	(F)				
Cash in Hand		-		-	
Balances with banks:					
– On current accounts		113.70		6.69	
– Flexi Accounts		-		31.00	
– Deposits with original maturity of less than 3 months		-	113.70	-	37.69
NET INCREASE / (DECREASE) IN CASH & CASH EQUIVALENTS	(F - E)		76.01		-333.30

Reconciliation of liabilities arising from financing activities as on 31st March 2022

(Rs in Lakh)

Particulars		Loan From IRCON	Loan From Bank of Baroda
Balance as at 1st April,2021		58,950.00	-
Non Cash Changes due to		-	-
Interest accrued		18.77	10.49
Cash flows:		-	-
-Repayments		-58,950.00	-3,448.00
-Proceed		3,448.00	58,950.00
Balance at 31st March 2022		3,466.77	55,512.49

Reconciliation of liabilities arising from financing activities as on 31st March 2021

(Rs in Lakh)

Particulars		Loan From IRCON	Loan From Bank of Baroda
Balance as at 1st April,2020		18,100.00	-
Non Cash Changes due to			
Interest accrued			
Cash flows:		-	-
-Repayments		-	-
-Proceed		40,850.00	-
Balance at 31st March 2021		58,950.00	-

Note : 1. The above Cash flow Statement has been prepared under the "Indirect Method"as set out in the Indian Accounting Standard (Ind AS) - 7 on Statement of Cash Flows.

2. Figures in brackets represent outflow of cash.

3. Figures of the previous year have been regrouped / recasted / restated wherever necessary.

4. Earmarked and restricted balances are mentioned in Note 6.2

As per our Report of even date attached

For Bhasin Raghavan & Co
Chartered Accountants
FRN - 000197N

Vikram Singh
Partner
M. No. 093458

Place : New Delhi
Date : 17.05.2022

For Ircon Vadodara Kim Expressway Limited

B Mugunthan
Director
DIN - 08517013

Masood Ahmad
Director
DIN - [illegible]008553

[illegible] Kumar G Asati
CEO

Raj Kumar
CFO

Arpita Basu Roy
CS

IRCON VADODARA KIM EXPRESSWAY LIMITED CIN - U74999DL2018GOI334028

IRCON VADODARA KIM EXPRESSWAY LIMITED
CIN - U74999DL2018GOI334028

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31st March 2022

A. Equity Share Capital

For the year ended 31st March, 2022 (Rs in Lakh)

Particulars	Amount
Balance as at 01 April, 2021	1,000
Changes in Equity Share Capital due to prior period errors	-
Restated balance at the 1 April, 2021	1,000
Changes in equity share capital during the year	-
Balance as at 31 March, 2022	1,000

For the year ended 31st March, 2021 (Rs in Lakh)

Particulars	Amount
Balance as at 01 April, 2020	1000
Changes in Equity Share Capital due to prior period errors	-
Restated balance at 01 April, 2020	1,000
Changes in equity share capital during the year	-
Balance as at 31 March, 2021	1,000

B. Other Equity

For the year ended 31th March, 2022 (Rs in Lakh)

Particulars	Reserves & Surplus			Other Comprehensive Income	Total
	General Reserves	Retained Earnings	Deemed Equity	Exchange differences on translating the financial statement of a foreign operation	
Balance as at 1 April, 2021	-	56.52	12,577.00	-	12,633.52
Changes in accounting policy or prior period errors					
Restated balance as at 1 April 2021	-	56.52	12,577.00	-	12,633.52
Profit for the year	-	6,015.80	-	-	6,015.80
Addition during the year	-	-	4,341.00	-	4,341.00
Other Comprehensive Income	-	-		-	-
Remeasurment of Defined Benefit Plans	-	-	-	-	-
Foreign Exchange translation difference	-	-	-	-	-
Total Comprehensive Income for the period	-	6,015.80	4,341.00	-	10,356.80
Dividends Paid	-	-	-	-	-
Dividend Distribution Tax	-	-	-	-	-
Balance as at March 31, 2022	-	6,072.32	16,918.00	-	22,990.32

For the year ended 31st March, 2021 (Rs in Lakh)

Particulars	Reserves & Surplus			Other Comprehensive Income	Total
	General Reserves	Retained Earnings	Deemed Equity	Exchange differences on translating the financial statement of a foreign operation	
Balance as at 1 April, 2020	-	28.97	12,577.00	-	12,605.97
Changes in accounting policy or prior period errors					
Restated balance as at 1 April 2020	-	28.97	12,577.00	-	12,605.97
Profit for the year	-	27.54	-	-	27.54
Addition during the year	-	-	-	-	-
Other Comprehensive Income	-	-	-	-	-
Remeasurment of Defined Benefit Plans	-	-	-	-	-
Foreign Exchange translation difference	-	-	-	-	-
Total Comprehensive Income for the period	-	27.54	-	-	27.54
Dividends Paid	-	-	-	-	-
Dividend Distribution Tax	-	-	-	-	-
Balance as at March 31, 2021	-	56.52	12,577.00	-	12,633.52

As per our Report of even date attached

For Bhasin Raghavan & Co
Chartered Accountants
FRN 000197N

Vikram Singh
Partner
M. No. 093458

Place : New Delhi
Date : 17.05.2022

For and on behalf of Board of Directors

B Muguntham
Director
DIN - 08517013

Masood Ahmad
Director
DIN - 09008553

Nitesh Kumar G Asati
CEO

Raj Kumar
CFO

Arpita Basu Roy
CS

IRCON VADODARA KIM EXPRESSWAY LIMITED CIN-U74999DL2018GOI334028

1. Corporate Information

Ircon Vadodara Kim Expressway Limited (IrconVKEL) is a wholly owned subsidiary of Ircon International Limited (IRCON), public sector construction company domiciled in India. IrconVKEL (CIN U74999DL2018GOI33402) is incorporated under the provisions of the Companies Act, 2013 applicable in India. The Company came into existence when IRCON was awarded the work of "Eight lane Vadodara Kim Expressway from Km 323.00 to Km 355.00 (Sapna to Padra Section of Vadodara Mumbai Expressway) in the State of Gujarat under NHDP Phase-VI on Hybrid Annuity mode (Phase IA-Package II)" in accordance with the terms and conditions in the Concession Agreement by National Highway Authority of India (NHAI). In pursuant to the provisions of "Request for Proposal", the selected bidder 'IRCON' has formed a Special Purpose Vehicle (SPV) named Ircon Vadodara Kim Expressway Limited as wholly owned subsidiary of IRCON, incorporated on 16th May, 2018. Accordingly, IrconVKEL has signed the Concession Agreement with NHAI on 25th May, 2018 for the project value amounting to Rs 1865 Crore (i.e Bid Project Cost). 40% of the Bid Project cost, adjusted for Price Index Multiple, shall and due and payable to the Concessionaire(IrconVKEL) in 5 equal installments of 8% each during the construction period . The remaining Bid Project cost, adjusted for Price Index Multiple, shall be due and payable in 30 biannual installments commencing from the 180th day of COD in accordance with the Provisions of clause 23.6 of the agreement which is Annuity payments during Operation Period. The Project is under Annuity pattern and will be under operation with the IrconVKEL for 15 years from the Commercial Operational Date (COD). The payments of the same, under Annuity model will be payable at the achievement of specific milestone as per the agreement. The Concession period is 730 days commencing from Appointed Date i.e. 31st Jan, 2019 as notified by NHAI. NHAI has provided extension of time (EOT) by 180 days. Independent Engineer (IE) has recommended EOT upto 30.05.2022, which is under process with NHAI. The registered office of the company is located at C-4, District Centre, Saket, New Delhi- 110017.

The presentation and functional currency of the company is Indian Rupees (INR). Figures in financial statements are presented in lakh, by rounding off upto two decimals except for per share data and as otherwise stated.

The financial statements are approved for issue by the company's Board of Directors in their meeting held on 17.05.2022.

2. Significant Accounting Policies

2.1 Basis of preparation

The financial statements of the Company have been prepared in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 read together with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the financial statements.

The financial statements have been prepared on a going concern basis following accrual system of accounting. The Company has adopted the historical cost basis for assets and liabilities, except for the following assets and liabilities which have been measured at fair value:

- Provisions, where the effect of time value of money is material are measured at present value
- Certain financial assets and liabilities measured at fair value
- Defined benefit plans and other long-term employee benefits

2.2 Summary of significant accounting policies

A summary of the significant accounting policies applied in the preparation of the financial statements are as given below. These accounting policies have been applied consistently to all periods presented in the financial statements.

2.2.1 Current vs non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.
An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

The Company classifies all other assets as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for atleast twelve months after the reporting period

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

2.2.2 Property, plant and equipment

Recognition and Initial Measurement

Property, plant and equipment is recognized when it is probable that future economic benefits associated with the item will flow to the Company and the cost of each item can be measured reliably. Property, plant and equipment are initially stated at their cost.

Cost of asset includes

a) Purchase price, net of any trade discount and rebates
b) Borrowing cost if capitalization criteria is met`
c) Cost directly attributable to the acquisition of the assets which incurred in bringing asset to its working condition for the intended use
d) Incidental expenditure during the construction period is capitalized as part of the indirect construction cost to the extent the expenditure is directly related to construction or is incidental thereto.
e) Present value of the estimated costs of dismantling & removing the items & restoring the site on which it is located if recognition criteria are met.

Freehold land is carried at historical cost.

Subsequent measurement

Property, plant and equipment are subsequently measured at cost net of accumulated depreciation and accumulated impairment losses, if any. Subsequent expenditure is capitalized if it is probable that future economic benefits associated with the expenditure will flow to the Company and cost of the expenditure can be measured reliably.

Cost of replacement, major inspection, repair of significant parts and borrowing costs for long-term construction projects are capitalized if the recognition criteria are met.

The machinery spares are capitalized if recognition criteria are met.

Depreciation and useful lives

Depreciation on property, plant and equipment, excluding freehold land is provided on straight line basis over the estimated useful lives of the assets as specified in schedule II of the Companies act, 2013.

Particulars	Useful lives (Years)
Building/flats residential/non-residential	60
Plant and Machinery	8-15
Survey instruments	10
Computers	3-6
Office Equipment's	5 - 10
Furniture and fixtures	10
Caravans, Camps and temporary shed	3-5
Vehicles	8-10

Depreciation on additions to/deductions from property, plant and equipment during the period is charged on pro-rata basis from/up to the date on which the asset is available for use/disposed

Each part of an item of Property, Plant and Equipment is depreciated separately if the cost of part is significant in relation to the total cost of the item and useful life of that part is different from the useful life of remaining asset.

Property plant and equipment acquired during the period, individually costing up to Rs. 5000/- are fully depreciated, by keeping Re. 1 as token value for identification. However, Mobile phones provided to employees are charged to statement of profit and loss irrespective of its value.

Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted prospectively, if appropriate. "Ordinarily, the residual value of an asset is up to 5% of the original cost of the asset" as specified in Schedule II of the Companies Act, 2013

Derecognition

An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognized.

2.2.3 Impairment of non-financial assets

At each reporting date, the Company assesses, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount and the impairment loss, including impairment on inventories are recognized in the statement of profit and loss.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognized impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior period. Such reversal is recognized in the statement of profit and loss.

2.2.4 Revenue recognition

The Company recognizes and measures revenue from construction and Operation & Maintenance services) in accordance with Ind AS -115 "Revenue from Contracts with Customers".

Company combine the two or more contracts entered into at or near the same time with the same customer and account for the contracts as a single contract if contracts are negotiated as a package with a single commercial objective or amount of consideration to be paid in one contract depends on the price or performance of the other contract or goods or services promised in the contracts are single performance obligation.

Transaction price (it does not involve significant financing component) is the price which is contractually agreed with the customer for provision of services. Revenue is measured at the transaction price that is allocated to the performance obligation and it excludes amounts collected on behalf of third parties i.e GST and is adjusted for variable considerations.

The nature of Company's contract gives rise to several types of variable consideration including escalation and liquidated damages.
Any subsequent change in the transaction price is then allocated to the performance obligations in the contract on the same basis as at contract inception.

The Company recognizes revenue for variable consideration when it is probable that a significant reversal in the amount cumulative revenue recognized will not occur. The company estimates the amount of revenue to be recognized on variable consideration using most likely amount method.

Consequently, amounts allocated to a satisfied performance obligation are recognised as revenue, or as a reduction of revenue, in the period in which the transaction price changes.

The company satisfies a performance obligation and recognizes the revenue over time, if any of the following criteria is met:

a) The customer simultaneously receives and consumes the benefits provided by the entity's performance as the entity perform.

b) The entity's performance creates or enhances an asset (for example, work in progress) that the customer controls as the asset is created or enhanced or

c) The entity's performance does not create an asset with an alternative use to the entity and the entity has an enforceable right to payment for performance completed to date.

For performance obligation satisfied over time, the revenue recognition is done by measuring the progress, using percentage completion method, towards complete satisfaction of performance obligation. The progress is measured in terms of a proportion of actual cost incurred to-date, to the total estimated cost attributable to the performance obligation. However, where the Company is not be able to reasonably measure the outcome of a performance obligation, but the Company expects to recover the costs incurred in satisfying the performance obligation, the Company recognise revenue only to the extent of the costs incurred until such time that it can reasonably measure the outcome of the performance obligation. A cumulative catch-up adjustment would be recognised in the period in which the entity is able to reasonably measure its progress.

Performance obligation is measured by applying input method. In the contracts where performance obligation cannot be measured by input method, the output method is applied, which faithfully depict the Company's performance towards complete satisfaction of the performance obligation.

Contract modifications are accounted for when additions, deletions or changes are approved either to the contract scope or contract price.

The accounting for modifications of contracts involves assessing whether the services added to the existing contract are distinct and whether the pricing is at the standalone selling price. Services added that are not distinct are accounted for on a cumulative catch up basis, while those that are distinct are accounted for prospectively, either as a separate contract, if additional services are priced at the standalone selling price, or as a termination of existing contract and creation of a new contract if not priced at the standalone selling price.

a) Contract balances

- Contract assets: A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional

- Trade receivables: A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).
- Contract liabilities A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made, or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract

b) Other income

Dividend income is recognized when the right to receive payment is established.

Interest income is recognized using Effective Interest rate method.

Miscellaneous income is recognized when performance obligation is satisfied and right to receive the income is established as per terms of contract.

2.2.5 Borrowing cost

Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are charged to statement of profit and loss as incurred. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

2.2.6 Taxes

a) Current income Tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities in accordance with relevant tax regulations. Current tax is determined as the tax payable in respect of taxable income for the period and is computed in accordance with relevant tax regulations. Current income tax is recognized in statement of profit and loss except to the extent it relates to items recognised outside profit or loss in which case it is recognized outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

b) Deferred Tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognized in statement of profit and loss except to the extent it relates to items recognised outside profit or loss, in which case is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

2.2.7 Employee benefit

a) Short-term employee benefits

Employee benefits such as salaries, short term compensated absences, and Performance Related Pay (PRP) falling due wholly within twelve months of rendering the service are classified as short-term employee benefits and undiscounted amount of such benefits are expensed in the statement of profit and loss in in the period in which the employee renders the related services.

b) Post-employment benefits

The Post employee benefits & other long term Employee Benefits are considered as per the guidelines of Ircon International Limited, the Holding Company, for the employees on the deputation from the Holding Company. And there is no post employment benefits to the contractual employees.

2.2.8 Cash and cash equivalents

Cash and cash equivalent include cash on hand, cash at banks and short-term deposits with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of unrestricted cash and short-term deposits, as defined above as they are considered an integral part of the Company's cash management.

2.2.9 Dividend

Annual Dividend distribution to the Company's equity shareholders is recognized as liability in the period in which dividend is approved by the shareholders. Any interim dividend is recognized as liability on approval by the Board of Directors. Dividend payable and corresponding tax on dividend distribution, if any, is recognized directly in equity.

2.2.10 Provisions, contingent assets and contingent liabilities

a) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, considering the risk and uncertainties surrounding the obligation.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Provisions recognised by the Company include provisions for Maintenance, Demobilization, Design Guarantee, Legal Cases, Corporate Social Responsibility (CSR), Onerous Contracts and others.

b) Onerous contracts

An onerous contract is a contract under which the unavoidable costs (i.e., the costs that the Company cannot avoid because it has the contract) of meeting the obligations under the contract exceed the economic benefits expected to be received under it. The unavoidable costs under a contract reflect the least net cost of exiting from the contract, which is the lower of the cost of fulfilling it and any compensation or penalties arising from failure to fulfil it. If the Company has a contract that is onerous, the present obligation under the contract is recognised and measured as a provision. However, before a separate provision for an onerous contract is established, the Company recognises any impairment loss that has occurred on assets dedicated to that contract.

These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

c) Contingent liabilities

Contingent liabilities are disclosed when there is a possible obligation or present obligations that may but probably will not, require an outflow of resources embodying economic benefits or the amount of such obligation cannot be measured reliably. When there is possible obligation or a present obligation in respect of which likelihood of outflow of resources embodying economic benefits is remote, no provision or disclosure is made.

These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

d) Contingent assets

Contingent assets are not recognized though are disclosed, where an inflow of economic benefits is probable.

2.2.11 Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period in exchange for consideration.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Lease liabilities

At the commencement date of the lease, the Company recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is re-measured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Company's lease liabilities are included in financial liabilities

ii) **Short term lease and leases of low value assets**

The Company applies the short-term lease recognition exemption to its short-term leases contracts including lease of residential premises and offices (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

The Company has given adjustments for lease accounting in accordance with Ind AS 116 which came into effect on 1 April 2019, and all the related figures have been reclassified/ regrouped to give effect to the requirements of Ind AS 116.

2.2.12 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

a) Financial assets

Initial recognition and measurement

All Financial assets are recognised initially at fair value plus or minus transaction cost that are directly attributable to the acquisition or issue of financial assets (other than financial assets at fair value through profit and loss). Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in statement of profit and loss.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- **Debt instruments at amortised cost**

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

a. The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
b. Contractual terms of the asset give rise on specified dates to cash flows that are solely

payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

- **Debt instruments at FVTOCI**

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

a. The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
b. Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the statement of profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income in statement of profit and loss using the EIR method.

- **Debt instruments at FVTPL**

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

- **Equity instruments**

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to statement of profit and loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of profit and loss.

Impairment of financial assets

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR.

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a. Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance
b. Financial assets that are debt instruments and are measured as at FVTOCI
c. Lease receivables under Ind AS 116
d. Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115
e. Loan commitments which are not measured as at FVTPL
f. Financial guarantee contracts which are not measured as at FVTPL

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables or contract revenue receivables; and
- All lease receivables resulting from transactions within the scope of Ind AS 116

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial asset. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss. This amount is reflected under the head 'other expenses' in the statement of profit and loss. The balance sheet presentation for various financial instruments is described below:

- Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

- Loan commitments and financial guarantee contracts: ECL is presented as a provision in the balance sheet, i.e. as a liability.

- Debt instruments measured at FVTOCI: For debt instruments measured at FVOCI, the expected credit losses do not reduce the carrying amount in the balance sheet, which remains at fair value. Instead, an amount equal to the allowance that would arise if the asset was measured at amortised cost is recognised in other comprehensive income as the 'accumulated impairment amount"

The Company does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognized only when the contractual rights to the cash flows from the asset expires or it transfers the financial assets and substantially all risks and rewards of the ownership of the asset.

The difference between the carrying amount and the amount of consideration received / receivable is recognised in the statement of profit and loss.

b) **Financial liabilities**

Initial recognition and measurement

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings other financial liabilities etc.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

- **Financial liabilities at fair value through profit or loss**

The company has not designated any financial liabilities at FVTPL.

- **Financial liabilities at amortized cost**

Loans, borrowings, trade payables and other financial liabilities

After initial recognition, Loans, borrowings, trade payables and other financial liabilities are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in statement of profit or loss when the liabilities are de-recognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

c) **Financial guarantee contracts**

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

d) Reclassification of financial assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

e) Offsetting of financial instruments

Financial assets and financial liabilities are offset, and the net amount is reported in the balance sheet if there is a currently enforceable contractual legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

2.2.13 Fair value measurement

The Company measures financial instruments at fair value at each reporting period.

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

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

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

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

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

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

- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

External valuers are involved for valuation of significant assets and liabilities, if any. At each reporting date, the Company analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the Company's accounting policies.

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

Above is the summary of accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

2.2.14 Prior Period Adjustment

Errors/omissions discovered in the current year relating to prior periods are treated as immaterial and adjusted during the current year, if all such errors and omissions in aggregate does not exceed 0.50% of total operating revenue as per last audited financial statement of the Company.

2.2.15 Operating Segment

Operating segments are reported in the manner consistent with the internal reporting provided to the chief operating decision maker. Accordingly, the Company has identified one reporting segments i.e. Domestic.

2.2.16 Earnings Per Share

In determining basic earnings per share, the company considers the net profit attributable to equity shareholders. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the period. In determining diluted earnings per share, the net profit attributable to equity shareholders and weighted average number of shares outstanding during the period are adjusted for the effect of all dilutive potential equity shares.

2.2.17 Significant accounting estimates and judgments

The estimates used in the preparation of the said financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events), that the Company believes to be reasonable under the existing circumstances. The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date. Although the Company regularly assesses these estimates, actual results could differ materially from these estimates - even if the assumptions underlying such estimates were reasonable when made, if these results differ from historical experience or other assumptions do not turn out to be substantially accurate. The changes in estimates are recognized in the financial statements in the period in which they become known.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. Actual results could differ from these estimates.

a. Allowances for uncollected trade receivables

Trade receivables do not carry interest and are stated at their nominal values as reduced by appropriate allowances for estimated irrecoverable amount are based on ageing of the receivables balances and historical experiences. Individual trade receivables are written off when management deems not be collectible.

b. Defined benefit plans

The costs of post-retirement benefit obligation are determined using actuarial valuations by Ircon International Limited. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increase, mortality rates and future pension increases. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

c. Contingencies

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. There are certain obligations which managements have concluded based on all available facts and circumstances are not probable of payment or difficult to quantify reliably and such obligations are treated as contingent liabilities and disclosed in notes Although there can be no assurance of the final outcome of legal proceedings in which the Company is involved, it is not expected that such contingencies s will have material effect on its financial position of probability.

d. Impairment of financial assets

The impairment provision for financial assets are based on assumptions about risk of default and expected loss rates. The company uses judgement in making these assumptions and selecting the inputs to the impairment calculation., based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

e. Taxes

Uncertainties exist with respect to the interpretation of complex tax regulations, changes in tax laws, and the amount and timing of future taxable income. Given the nature of business differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The Company establishes provisions, based on reasonable estimates. The amount of such provisions is based on various factors, such as experience of previous tax audits and differing interpretations of tax regulations by the taxable entity and the responsible tax authority. Such differences of interpretation may arise on a wide variety of issues depending on the conditions prevailing in the respective domicile of the companies.

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

f. Impairment of non financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF model.

g. Leases - Estimating the incremental borrowing rate

The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

h. Determining the lease term of contracts with renewal and termination options – Company as lessee

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Company has lease contracts that include extension and termination options. The Company applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

i. Revenue recognition

The Company's revenue recognition policy, which is set out in Note 2.2.4, is central to how the Company values the work it has carried out in each financial year.

These policies require forecasts to be made of the outcomes of Contracts, which require, assessments and judgements to be made on changes in scope of work and claims and variations.

There are several long term and complex projects where the Company has incorporated significant judgements over contractual entitlements. The range of potential outcomes could result in a materially positive or negative change to underlying profitability and cash flow.

Estimates are also required with respect to the below mentioned aspects of the contract :

- Determination of stage of completion
- Estimation of project completion date
- Provisions for foreseeable loses
- Estimated total revenues and estimated total costs to completion, including claims and variations.

These are reviews at each reporting date and adjust to reflect the current best estimates

Revenue and costs in respect of contracts are recognized by reference to the stage of completion of the contract activity at the end of reporting period, measured based on proportion of contract costs incurred for work performed to the date relative to the estimated total contract costs, where this would not be representative of stage of completion. Variations in contract work and claims are included to the extent that amount can be measured reliably, and receipt is considered probable. When it is probable that contract costs will exceed total contract revenue, the expected loss is recognized as an expense immediately.

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3 Property, Plant and Equipment

(Rs in Lakh)

	Computers	Total
Gross Carrying Amount (At Cost)		
At 1 April 2020	1.19	1.19
Additions	0.48	0.48
Disposals/Adjustments		
At 31 March 2021	**1.67**	**1.67**
At 1 April 2021	**1.67**	**1.67**
Additions	-	-
Disposals/Adjustments		
At 31 March 2022	**1.67**	**1.67**
Depreciation and impairment		
At 1 April 2020	**0.30**	**0.30**
Depreciation charge for the year	0.45	0.45
Disposals/Adjustments		
At 31 March 2021	**0.75**	**0.75**
At 1 April 2021	**0.75**	**0.75**
Depreciation charge for the year	0.53	0.53
Disposals/Adjustments		
At 31 March 2022	**1.28**	**1.28**
Net book value		
At 31 March 2022	**0.39**	**0.39**
At 31 March 2021	**0.92**	**0.92**

4 Financial Assets

4.1 Non-Current Financial Assets - Loans

(Rs in Lakh)

Particulars	As at 31st March 2022	As at 31st March 2021
A. Considered Good : Secured		
Staff Loans and Advances	-	-
Total (A) - Considered Good : Secured	-	-
B. Considered Good : Unsecured		
Staff Loans & Advances	1.05	-
Total (B) - Considered Good : Unsecured (i+ii)	1.05	-
C. Significant Increase in Credit Risk (Deleted)	-	-
D. Credit Impaired (Deleted)	-	-
Total	1.05	-

4.2 Non-Current Assets - Other Financial Assets

(Rs in Lakh)

Particulars	As at 31st March 2022	As at 31st March 2021
Considered Good : Unsecured		
Contract Asset :		
- Billable Revenue / Receivable not due	80,729.57	40,826.36
Total	80,729.57	40,826.36

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5 **Deferred Tax Assets and Income Tax**

Disclosure pursuant to Ind AS 12 "Income Taxes"

(a) **The major components of income tax expense for the year ended 31 March 2022 and 31 March 2021 respectively are :**

(Rs in Lakh)

S.No.	Particulars	For the year ended	
		31st March 2022	31st March 2021
1	Profit and Loss Section		
	Current income tax :		
	Current income tax charge	2,022.28	11.23
	Adjustment in respect of current tax of previous year	0.50	0.53
	Deferred tax :		
	Relating to origination and reversal of temporary differences	-9.78	2.92
	Income tax expense reported in the Profit and Loss section	2,013.00	14.68
2	Other Comprehensive Income (OCI) Section		
	Income tax related to items recognised in OCI during the year:		
	Net loss/(gain) on remeasurements of defined benefit plans	-	-
	Net loss/(gain) on foreign operation translation	-	-
	Income tax expense reported in the OCI section	-	-

(b) **Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31 March 2022 and 31 March 2021 :**

(Rs in Lakh)

S.No.	Particulars	For the year ended	
		31st March 2022	31st March 2021
1	Accounting profit before income tax	8,028.80	42.22
2	Corporate tax rate as per Income tax Act, 1961	25.168%	25.168%
3	Tax on Accounting profit (3) = (1) * (2)	2,020.70	10.62
4	Effect of Tax Adjustments:		
(i)	Adjustments in respect of current income tax of previous years	0.50	0.53
(ii)	Utilisation of previously unrecognised tax losses	-	-
(iii)	Impact of Rate Difference	-	-
(iv)	Tax on Income exempt from tax	-	-
(v)	Non-deductible expenses for tax purposes:		
	-Other country additional tax	-	-
	-Other non-deductible expenses	-	0.08
(vi)	Tax effect of various other items	-8.20	3.45
5	**Income tax expense reported in the Statement of Profit and Loss**	2,013.00	14.68
6	Effective Tax Rate	25.07%	34.78%

(c) Components of deferred tax (assets) and liabilities recognised in the Balance Sheet and Statement of Profit or Loss

(Rs in Lakh)

S.No.	Particulars	Balance sheet		Statement of profit or loss	
		31st March 2022	31st March 2021	31st March 2022	31st March 2021
1	Property, Plant & Equipment (including intangible): Difference in book depreciation and income tax depreciation	0.01	-0.02	-0.03	-0.07
2	Impact of Preliminary Expenses	0.52	1.04	0.52	0.52
3	Items disallowed u/s 43B of Income Tax Act, 1961	11.78	1.52	-10.26	2.47
4	Impact of expenditure charged to the statement of profit and loss in the current year and earlier years but allowable for tax purposes on payment basis				
5	Fair valuation of financial instruments				
6	Unutilised gain/loss on FVTOCI equity securities and FVTPL Mutual funds				
	Net deferred tax assets/(liabilities)	12.32	2.54	-9.77	2.92

(d) Reflected in the balance sheet as follows:

(Rs in Lakh)

S.No.	Particulars	31st March 2022	31st March 2021
1	Deferred tax assets	12.32	2.56
2	Deferred tax liability	-	-0.02
	Deferred Tax Asset/(Liabilities) (Net)	12.32	2.54

Note: Deferred tax assets and deferred tax liabilities have been offset as they relate to the same governing laws.

(e) Reconciliation of deferred tax (liabilities)/assets:

As at 31 March 2022

(Rs in Lakh)

S.No.	Particulars	Net balance As at 1st April 2021	Recognised in statement of profit and loss	Recognised in OCI	Net balance As at 31st March 2022
1	Property, Plant & Equipment (including intangible): Difference in book depreciation and income tax depreciation	-0.02	0.03		0.01
2	Impact of Preliminary Expenses	1.04	-0.52		0.52
3	Items disallowed u/s 43B of Income Tax Act, 1961	1.52	10.26		11.78
4	Impact of expenditure charged to the statement of profit and loss in the current year and earlier years but allowable for tax purposes on payment basis				
5	Fair valuation of financial instruments				
6	Unutilised gain/loss on FVTOCI equity securities and FVTPL Mutual funds				
	Net deferred tax assets/(liabilities)	2.54	9.77	-	12.32

As at 31 March 2021

(Rs in Lakh)

S.No.	Particulars	Net balance As at 1st April 2020	Recognised in statement of profit and loss	Recognised in OCI	Net balance As at 31st March 2021
1	Property, Plant & Equipment (including intangible): Difference in book depreciation and income tax depreciation	-0.09	0.07		-0.02
2	Impact of Preliminary Expenses	1.56	-0.52		1.04
3	Items disallowed u/s 43B of Income Tax Act, 1961	3.99	-2.47		1.52
4	Impact of expenditure charged to the statement of profit and loss in the current year and earlier years but allowable for tax purposes on payment basis				-
5	Fair valuation of financial instruments				-
6	Unutilised gain/loss on FVTOCI equity securities and FVTPL Mutual funds				-
	Net deferred tax assets/(liabilities)	5.46	-2.92	-	2.54

6 Current Assets - Financial Assets

6.1 Current Financial Assets - Trade Receivables

(Rs in Lakh)

Particulars	As at 31st March 2022	As at 31st March 2021
Considered Good : Unsecured	233.35	4,429.14
Considered Doubtful : Unsecured	-	-
Impairment Allowance (allowance for bad and doubtful debts) Unsecured, considered good	-	-
Total	233.35	4,429.14

Trade Recievable Ageing Schedule

(Rs in Lakh)

Particulars	Unbilled	Not Due	Outstanding for the year ended March 31, 2022 from the due date of payment					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	-	-	233.35	-	-	-	-	233.35
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
(iii) Disputed Trade Receivables considered good	-	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-

Particulars	Unbilled	Not Due	Outstanding for the year ended March 31, 2021 from the due date of payment					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	-	-	4,429.14	-	-	-	-	4,429.14
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	
(iii) Disputed Trade Receivables considered good	-	-	-	-	-	-	-	
(iv) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	

6.2 Current Financial Assets - Cash and Cash equivalents

(Rs in Lakh)

Particulars	Foot Note	As at 31st March 2022	As at 31st March 2021
Cash in hand		-	-
Cheques/drafts in hand		-	-
Remittance in Transit		-	-
Balances with banks:			
– On current accounts*		113.70	6.69
– Flexi Accounts		-	31.00
– Deposits with original maturity of less than 3 months		-	-
		113.70	**37.69**

* Includes Rs 113.70 lakhs (As at 31st March 2021 0.19 lakhs) balance pertains to ESCROW account which are earmarked funds as per concession agreement entered with NHAI

6.3 Current Financial Assets - Other Bank Balances

(Rs in Lakh)

Particulars	As at 31st March 2022	As at 31st March 2021
Other Bank Balances		
Deposits with original maturity of more than 3 months but less than 12 months	-	-
	-	-

6.4 Current Financial Assets - Loans

(Rs in Lakh)

Particulars	As at 31st March 2022	As at 31st March 2021
A. Considered Good : Secured		
Staff Loans and Advances	-	-
B. Considered Good : Unsecured		
(i) Loans to Related Parties:		
(ii) Others:		
Staff Loans & Advances *	0.60	0.20
Total	**0.60**	**0.20**

* Details of amount due from Directors:

(Rs in Lakh)

Particulars	As at 31st March 2022	As at 31st March 2021
Amount due from directors included in staff loans and advances	-	-
Total	-	-

6.5 Current Assets - Other Financial Assets

(Rs in Lakh)

Particulars	As at 31st March 2022	As at 31st March 2021
Considered Good : Unsecured		
Interest Accrued on :		
- Advance to Staff	-	-
- Deposits with Banks	-	0.09
- Bonds		
Contract Asset :		
- Billable Revenue / Receivable not due	3,396.21	22,388.71
-Money Withheld by Client	84.53	636.78
Total - Other Financial Assets - Good	**3,480.74**	**23,025.58**
Considered Doubtful : Unsecured		
Total - Other Financial Assets - Doubtful	-	-
Total	**3,480.74**	**23,025.58**

7 **Current Assets - Current Tax Assets (Net)**

(Rs in Lakh)

Particulars	As at 31st March 2022	As at 31st March 2021
Taxes Paid including TDS & Advance Tax (Net of Provision for Tax)	437.91	1,001.89
Current tax Assets (Net)	**437.91**	**1,001.89**

Current Tax Assets (Net)

(Rs in Lakh)

Particulars	As at 31st March 2022	As at 31st March 2021
Taxes Paid :		
Income Tax - TDS	2,460.19	1,013.12
Less : Provision for Tax	-2,022.28	-11.23
Total	**437.91**	**1,001.89**

8 Other Current Assets

(Rs in Lakh)

Particulars	As at 31st March 2022	As at 31st March 2021
Considered Good : Unsecured		
Advances Other than Capital Advances		
Advances to Contractors, Suppliers and Others	-	2,196.85
Advance Recoverable from:		
- Goods & Services Tax	8,255.86	7,229.91
Interest Accrued on:		
Deposits & Advances with Contractors, Suppliers & Others	-	114.07
Prepaid Expenses	53.10	69.60
Fair valuation adjustment	-	-
Considered Doubtful : Unsecured	-	-
Total	**8,308.96**	**9,610.43**

IRCON VADODARA KIM EXPRESSWAY LIMITED CIN-U74999DL2018GOI334028

9 **Equity Share capital**

(Rs in Lakh)

Particulars	As At 31st March 2022	As At 31 March 2021
Authorised share capital		
1,00,00,000 Equity shares of Rs.10 each		
(1,00,00,000 Equity shares of Rs.10 each as at 31st March 2021)	1,000.00	1,000.00
	1,000.00	1,000.00
Issued/Subcribed and Paid up Capital		
1,00,00,000 Equity shares of Rs.10 each-fully paid		
(1,00,00,000 Equity shares of Rs.10 each-fully paid as at 31st March 2021)	1,000.00	1,000.00
	1,000.00	1,000.00

Promoter's shareholding

Particulars	Shares held by Promoter at the end of the period / year				% change during the period / year
	S.No	Promoter Name*	No. of shares	% of total shares	
As at March 31, 2022	1	Ircon International Limited and its nominees	10,000,000	100.00%	-
	2				
	3				
	4				
	5				

Particulars	Shares held by Promoter at the end of the period / year				% change during the period / year
	S.No	Promoter Name*	No. of shares	% of total shares	
As at March 31, 2021	1	Ircon International Limited and its nominees	10,000,000	100.00%	-
	2				
	3				
	4				
	5				

(a) Details of shareholders holding more than 5% shares in the Company

Name of the shareholder	As At 31st March 2022		As At 31 March 2021	
	No. of Share	% holding in the class	No. of Share	% holding in the class
Ircon International Limited and its nominees	10,000,000	100.00%	10,000,000	100.00%

(b) **Aggregate no. of equity shares issued as bonus, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date**

	As At 31st March 2022	As at 31 March 2021	As at 31 March 2020	As at 31 March 2019	As at 31 March 2018
	No. of Share	No. of Share	No. of Share	No. of Share	No. of Share
Equity shares alloted other than cash	-	-	-	-	-
Equity shares issued as bonus shares	-	-	-	-	-
Equity shares Buy Back	-	-	-	-	-
Total	-	-	-	-	-

(c) **Terms / Rights attached to Equity Shares :**

(i) Voting

The Company has only one class of equity shares having a par value of Rs.10 per share. Each holder of equity share is entitled to one vote per share.

(ii) Liquidation

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(iii) Dividend

The dividend proposed by the Board of Directors is subject to the approval of the shareholders in ensuing Annual General Meeting

(d) **Reconciliation of the number of equity shares and share capital outstanding at the beginning and at the end of the year**

Particulars	As At 31st March 2022		As At 31 March 2021	
	No of shares	Rs in Lakh	No of shares	Rs in Lakh
Issued/Subcribed and Paid up equity Capital outsatnding at the beginning of the year	10,000,000	1,000.00	10,000,000	1,000.00
Add: Shares Issued during the year	-	-	-	-
Less: Shares Buy Back during the year	-	-	-	-
Issued/Subcribed and Paid up equity Capital outstanding at the end of the year	10,000,000	1,000.00	10,000,000	10,000.00

10 Other Equity

(Rs in Lakh)

Particulars	As at 31st March 2022	As at 31st March 2021
Retained Earnings	6,072.32	56.52
General Reserve	-	-
Other Reserve	16,918.00	12,577.00
Other Comprehensive Income	-	-
Total	22,990.32	12,633.52
(b) Other Reserves		
CSR Activities Reserve	-	-
Less :- Transfer to Statement of Profit & Loss	-	-
Total	-	-

i) **Movement as per below:**

(a) Retained Earnings		
Opening Balance	56.52	28.98
Add: Ind AS Adjustments	-	-
Transfer from surplus in statement of profit and loss	6,015.80	27.54
Closing Balance	6,072.32	56.52
(b) General Reserve		
Opening Balance	-	-
Add: Transfer from Retained Earnings	-	-
Opening and Closing Balance	-	-
(c) Deemed Equity		
Opening Balance	12,577.00	12,577.00
Add : Addition during the period	4,341.00	-
Closing Balance	16,918.00	12,577.00
(d) Other Comprehensive Income		
Opening Balance	-	-
Debt Instruments Through OCI	-	-
Foreign Currency Translation (net of tax) during the Year	-	-
Closing Balance	-	-
Grand Total (a+b+c+d)	22,990.32	12,633.52

ii) **Nature and Purpose of Other Reserves:**

(a) Retained Earnings
Retained Earnings represents the undistributed profits of the Company.

(b) General Reserve
General Reserve represents the statutory reserves, this is in accordance with Corporate Law wherein a portion of profit is apportioned to General Reserve. Under Companies Act, 2013, the transfer of any amount to General Reserve is at the discretion of the Company.

(c) Deemed Equity
The Company has received interest free loan from IRCON, Holding Company and is treated as Deemed Equity in terms of the definition of Equity as defined in the Concessional agreement entered by the Company with NHAI.

(d) Items of Other Comprehensive Income
Other Comprehensive Income represents balance arising on account of exchange difference on translation of foreign operations.

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11 **Non-Current Liabilities - Financial Liabilities**

11.1 **Non-Current Financial Liabilities - Borrowings**

(Rs in Lakh)

Particulars	As at 31st March 2022	As at 31st March 2021
Unsecured:		
Loan from Ircon International Limited *	3,448.00	57,118.14
Secured		
Loan from Bank of Baroda **	48,605.62	-
Total	52,053.62	57,118.14

Notes :

* Un-Secured Loan from IRCON

Terms & Conditions of Loan from Holding Company(Ircon International Limited)

1. Sanction :-Rs 3448 Lakh

(i) Interest rate to be charged on the loan shall be at Bank of Baroda 1-month MCLR without Strategic Premium (as applicable from time to time).

(ii) Duration of Loan Disbursement would be a period of 1 year from the date of signing of agrrement.

(iii) Unsecured Loan shall be repaid in 2.5 years starting after 12 years from COD or repayment of full term loan of senior lendor, whichever is earlier in structured half-yearly installments.

(iv) Interest to be calculated on monthly rest basis.

** Secured Loan from Bank of Baroda

Terms & Conditions of Loan from Bank of Baroda

Sanction :- 72412 Lakh

(i) Interest rate to be charged on loan shall be at 1 Year MCLR without Strategic Premium i.e presently 7% p.a payable on Monthly rests.

(ii) Moratorium of 7 months from the date of COD. Repayment Schedule is Starting w.e.f 28.02.2022 and last installment on 29.02.2032.

(iii) Term loan shall be repaid in 21 half yearly installments.

(iv) Interest shall be paid as and when debited.

(v) Corporate Guarantee of the Promoter i.e. M/s IRCON International Limited (AAA Rated) shall be available till the receipt of 1st annuity from NHAI (till 180 days from COD).

(vi) The loan shall be secured by-

(a) A first mortgage and charge in favour of the Lenders/Security Agent for the benefit of the Lenders in a form satisfactory to the Lenders, of all the Borrower's immovable properties, if any both present and future, save and except Project Assets; a first charge in favour of Lender/ Security Agent for the benefit of the Lenders of all the Borrower's moveable properties, both present and future, save and except the Project Assets.

(b) A first charge on all the Borrower's tangible movable assets, including movable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles, all other movable assets and current assets, both present and future, save and except the Project Assets.

(c)A first charge on all the bank accounts including but not limited to the Escrow Account opened in a designated bank and DSRA to be established by the Company, where all cash flows from the Project shall be deposited, and the sub Account (or any account in substitution thereof) that may be opened in accordance with this agreement and supplementary Escrow Agreement or any other Project Agreement, provided such first charge shall only be to the extent permitted as per the waterfall of priorities prescribed under Escrow Agreement and Concession Agreement;

(d) A first charge on all revenues and receivables of the Borrower from the Project or Otherwise, Project's book debts, operating cash flows, commissions or revenues of whatever nature, after such revenues and receivables are deposited in the Escrow Account. Provided that such charge as mentioned herein shall arise only after the proceeds and/or realization on any such revenues and receivables are credited to and enters the Escrow Account and thereafter shall only be utilized to the extent permitted as per the waterfall priorities under the Escrow Agreement and Concession Agreement

(e) Assignment of contractor guarantees, liquidated damages, letter of credit, guarantee or performance bond that may be provided by any counter party under any project agreement or contract in favor of company and insurance policies etc;

(f) A first charge by way of assignment/agreement in favor of lenders over all the rights, title and interests of the Borrowers related to the Project from all contracts, insurances, licenses in to and under all Project Agreement (including the Concession Agreement) to which the Borrower is party to including contractor guarantees, liquidated damages, letter of credit, performance bond, guarantee and all other contracts relating to the Project, provided such charge shall be limited to and to arise to the extent provided under Substitution Agreement;

(g) A first charge/assignment/ security interest on company rights' under concession agreement in favor of lenders of all rights, title, interests, benefits, claims, uncalled capital and demands whatsoever of company in any letter of credit, performance bond, guarantee provided by any party to project documents;

(h)A first charge on intangible assets of borrower but not limited to goodwill present and future save and except the Project Assets. Provided that any realization there of shall be credited to the Escrow Account and the charges as aforesaid shall be limited to the extent permissible under the water fall priorities of the Concession Agreement and the Escrow Agreement;

(i) Assignment of all applicable insurance policies

11.2 **Non-Current Liabilities - Other Financial Liabilities**

(Rs in Lakh)

Particulars	As at 31st March 2022	As at 31st March 2021
Interest Payable on Advance from Client	-	-
Total	-	-

IRCON VADODARA KIM EXPRESSWAY LIMITED CIN-U74999DL2018GOI334028

12 Current Liabilities - Financial Liabilities

12.1 Current Financial Liabilities - Borrowings

(Rs in Lakh)

Particulars	As at 31st March 2022	As at 31st March 2021
Secured:		
Current Maturities of Long Term Debt : Loan from IRCON International Limited	-	1,831.86
Current Maturities of Long Term Debt : Loan from Bank of Baroda	6,896.38	-
Total	6,896.38	1,831.86

12.2 Current Financial Liabilities - Trade Payables

(Rs in Lakh)

Particulars	As at 31st March 2022	As at 31st March 2021
(A) Micro, Small & Medium Enterprises	-	-
(B) Other than Micro, Small & Medium Enterprises		
(i) Contractor & Suppliers	-	19.61
(ii) Related Party - IRCON	9278.02	208.17
Total	9,278.02	227.79

Notes:
a) Disclosures as required under Companies Act, 2013 / Micro, Small and Medium Enterprises Development Act,2006 (MSMED) are provided in Note 32.
b) Terms and Conditions and other balances with related parties are disclosed in Note 27.

Trade payables Ageing Schedule

(Rs in Lakh)

Particulars	Unbilled	Not Due	Outstanding for the year ended March 31, 2022 from the due date of payment				Total
			Less than 1 year	1-2 year	3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	9,278.02	-	-	-	9,278.02
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	-

(Rs in Lakh)

Particulars	Unbilled	Not Due	Outstanding for the year ended March 31, 2021 from the due date of payment				Total
			Less than 1 year	1-2 year	3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	227.79	-	-	-	228
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	-

12.3 Current Liabilities - Other Financial Liabilities

(Rs in Lakh)

Particulars	As at 31st March 2022	As at 31st March 2021
Interest Payable on Advance from Client	749.09	1,025.14
Deposits, Retention money and Money Withheld - Related Party - IRCON	82.90	72.54
Interest Accrued on loan but not due *	29.26	-
Other Payables (including Staff Payable)	13.85	0.21
Total	875.10	1,097.89

* Interest Accrued on loan but not due includes the interest accrued on loan payable to the holding Company Ircon International Limited as on 31st March 2022 of amounting Rs 18.77 lakhs (As at 31st March 2021 Rs Nil lakhs)

IRCON VADODARA KIM EXPRESSWAY LIMITED CIN-U74999DL2018GOI334028

13 Other Current Liabilities

(Rs in Lakh)

Particulars	As at 31st March 2022	As at 31st March 2021
a) Contract Liability		
Advance from clients	-	4,662.50
b) Other Advances		
Advance from others	-	-
c) Others		
Statutory dues	225.15	363.05
Total	**225.15**	**5,025.55**

Notes:

a) Statutory dues includes liability for Goods and Service Tax (GST), TDS, Provident Fund and other statutory dues.

IRCON VADODARA KIM EXPRESSWAY LIMITED CIN-U74999DL2018GOI334028

14 Revenue from Operations

(Rs in Lakh)

Particulars	For the Yaer Ended 31st March 2022	For the Yaer Ended 31st March 2021
Contract Revenue *(Refer Note No. 31 & 33)*	39,903.21	48,761.53
Total	**39,903.21**	**48,761.53**

15 Other Income

(Rs in Lakh)

Particulars		For the Yaer Ended 31st March 2022		For the Yaer Ended 31st March 2021
Interest Income :				
Interest on Refund of Income-tax		49.95		
Interest Income on Mob Advance received provided to IRCON	40.97			
Less : Interest Exp on Mob Advance received from NHAI	-39.27	1.70		-
Interest Income on Unwinding of Financial Instruments		-		-
Bank Interest		15.68		42.22
Others :				
Insurance claim received			126.40	
Less : Insurance claim passed to IRCON		-	-126.40	-
Other Miscellaneous Income		0.20		-
Total		**67.53**		**42.22**

16 Project and Other Expenses

(Rs in Lakh)

Particulars	Foot Note	For the year ended 31st March 2022	For the year ended 31st March 2021
Project Expenses			
Work Expenses		27,345.59	46,666.37
Rent - Non-residential	(i)	2.97	2.73
Rates and Taxes		0.63	0.30
Vehicle Operation and Maintenance		0.01	0.34
Insurance		202.56	108.57
Travelling & conveyance		0.72	0.13
Printing & stationery		0.08	0.35
Postage, telephone & telex		-	0.07
Legal & Professional charges		15.78	6.25
Loss on sale of Assets		-	-
Advertisement & publicity		0.17	1.21
Miscellaneous expenses		1.23	0.89
Sub-total (A)		27,569.74	46,787.21
Other Expenses			
Auditors remuneration - Sub -total (B)	(ii)	1.49	1.20
Total (A + B)		27,571.23	46,788.41

(i) Rent paid to IRCON Rs 2.52 Lakh (Rs 2.32 Lakh) excluding GST

(ii) Payment to Statutory Auditors:

(Rs in Lakh)

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
(a) Audit Fee - current year	0.80	0.75
(b) Tax Audit Fees - current year	0.24	0.10
(c) Fee for Quarterly Limited Review	0.40	0.30
(d) Certification Fees	0.05	0.05
(e) Travelling & out of pocket expenses:	-	-
- Travelling Expenses	-	-
- Out of Pocket Expenses	-	-
Total	1.49	1.20

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17 **Employee Remuneration and Benefits**

(Rs in Lakh)

Particulars	Foot Note	For the year ended 31st March 2022	For the year ended 31st March 2021
Salaries, wages and bonus		134.00	152.43
Contribution to provident and other funds		9.92	11.31
Retirement Benefits		20.39	22.40
Staff Welfare		-	-
Total		164.31	186.14

18 **Finance Cost**

(Rs in Lakh)

Particulars	Foot Note	For the Year Ended 31st March 2022		For the Year Ended 31st March 2021	
Interest Expense on Income Tax			0.03		0.00
Other Borrowing Cost					
- Bank Guarantee & Other Charges			4.10		13.47
Interest on Loan from IRCON			1353.29		1772.73
Interest on Loan from Bank of Baroda			2848.45		0.00
Interest Exp on Mob Advance received from NHAI		-		342.51	
Less : Interest Income on Mob Advance received provided to IRCON		-	-	-342.18	0.33
Total			4,205.87		1,786.53

19 **Depreciation, amortization and impairment**

(Rs in Lakh)

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Property, Plant and equipment	0.53	0.45
Impairment of Assets	-	-
Total	0.53	0.45

IRCON VADODARA KIM EXPRESSWAY LIMITED
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Notes forming part of the financial statements for the year ended 31st March 2022

Note: - 20
A. Fair Value Measurements
(i) Category wise classification of Financial Instruments

Financial assets and financial liabilities are measured at fair value in these financial statement and are grouped into three levels of a fair value hierarchy. The three Levels are defined based on the observability of significant inputs to the measurement, as follows:
Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities
Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
Level 3: Unobservable inputs for the asset or liability

a)The carrying values and fair values of financial instruments by categories as at 31st March, 2022 are as follows:

(Rs in Lakh)

Particulars	Carrying Value	Fair Value		
		Level 1	Level 2	Level 3
Financial Assets at Fair Value Through Profit and Loss ('FVTPL')				
Investment in Mutual Funds	-	-	-	-
Total	-	-	-	-
Financial Assets at Amortized Cost				
(i) Investments				
Investments in Tax Free Bonds	-	-	-	-
(ii) Loans	1.65	-	-	1.65
(iii) Other Financial Assets	84,210.31	-	-	84,210.31
Total	84,211.96	-	-	84,211.96

(Rs in Lakh)

Particulars	Carrying Value	Fair Value		
		Level 1	Level 2	Level 3
Financial Liabilities at Amortized Cost				
(i) Borrowings	58,950.00	-	-	58,950.00
(ii) Other Financial Liabilities	875.10	-	-	875.10
Total	59,825.09	-	-	59,825.09

b) The carrying values and fair values of financial instruments by categories as at 31 March, 2021 are as follows:

(Rs in Lakh)

Particulars	Carrying Value	Fair Value		
		Level 1	Level 2	Level 3
Financial Assets at Fair Value Through Profit and Loss ('FVTPL')				
Investment in Mutual Funds	-	-	-	-
Total	-	-	-	-
Financial Assets at Amortized Cost				
(i) Investments	-	-	-	-
Investments in Tax Free Bonds	-	-	-	-
(ii) Loans	0.20	-	-	0.20

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(iii) Other Financial Assets	63,851.93	-	-	63,851.93
Total	63,852.13	-	-	63,852.13

(Rs in Lakh)

Particulars	Carrying Value	Fair Value		
		Level 1	Level 2	Level 3
Financial Liabilities at Amortized Cost				
(i) Borrowings	58,950.00	-	-	58,950.00
(ii) Other Financial Liabilities	1,097.89	-	-	1,097.89
Total	60,047.89	-	-	60,047.89

The management assessed that cash and cash equivalents, trade receivables, trade payables, bank overdrafts and other current financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties The following methods and assumptions were used to estimate the fair values:

i) The fair value of investments in mutual fund units is based on the Net Asset Value ('NAV') as stated by the issuers of these mutual fund units in the published statements as at Balance Sheet date. NAV represents the price at which the issuer will issue further units of mutual fund and the price at which issuers will redeem such units from the investors.

ii) Investment in subsidiaries and joint ventures are classified as equity investments have been accounted at historical cost. since these are scope out of Ind AS 109 for the purposes of measurement, the same have not been disclosed in the tables above.

* During the financial year 2021-22 and 2020-21, there were no transfers between Level 1, Level 2 and Level 3 fair value measurements.

B. Financial Risk Management

The Company's principal financial liabilities comprise borrowings, trade and other payables. The Company's principal financial assets include loans to related parties, trade and other receivables, and cash and short-term deposits that derive directly from its operations. The Company also holds investment in mutual funds and tax free bonds. The Company's activities expose it to some of the financial risks: market risk, credit risk and liquidity risk.

a) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instruments will fluctuate because of changes in market prices. Market risk comprises Foreign currency risk and Interest rate risk. Financial instruments affected by market risk includes borrowings, trade receivables, trade payable and other non derivative financial instruments.

(i) Foreign Currency Risk

Nil

(ii) Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instruments will fluctuate because of change in market interest rate. The company manages its interest risk in accordance with the companies policies and risk objective. Financial instruments affected by interest rate risk includes tax free bonds and deposits with banks. Interest rate risk on these financial instruments are very low as interest rate is fixed for the period of financial instruments. Also, the Company does not have any interest risk on loans / borrowings as it bears fixed rate of interest.

b) Credit Risk

The Company's customer profile is National Highway Authority of India. Accordingly, the Company's customer credit risk is low. The Company's average project execution cycle is around 24 to 36 months. General payment terms include mobilisation advance, monthly progress payments with a credit period ranging from 45 to 60 days and certain retention money to be released at the end of the project. In some cases retentions are substituted with bank / corporate guarantees. The Company has a detailed review mechanism of overdue customer receivables at various levels within organisation to ensure proper attention and focus for realisation.

Trade and other receivable

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment.

Exposure to Credit Risk

(Rs in Lakh)

Particulars	As At 31.03.2022	As at 31.03.2021
Financial Assets for which allowance is measured using Lifetime Expected Credit Losses (LECL)		
Non Current Investments	-	-
Non Current Loans	1.05	-
Other Non Current Financial Assets	80,729.57	40,826.36
Current Investments	-	-
Cash and Cash Equivalents	113.70	37.69
Other Bank Balances	-	-
Current Loans	0.60	0.20
Other Current Financial Assets	3,480.74	23,025.58
Financial Assets for which allowance is measured using Simplified Approach		
Trade Receivables	233.35	4,429.14
Contract Assets	3,396.21	22,388.71

Summary of change in loss allowances measured using Simplified approach

Particulars	As At 31.03.2022	As at 31.03.2021
Opening Allowances	-	-
Provided during the year	-	-
Utilization during the year	-	-
Amount written-off	-	-
Closing Allowances	-	-

Summary of change in loss allowances measured using Lifetime Expected Credit Losses (LECL) approach

Particulars	As At 31.03.2022	As at 31.03.2021
Opening Allowances	-	-
Provided during the year	-	-
Utilization during the year	-	-
Amount written-off	-	-
(Exchange Gain) / Loss	-	-
Closing Allowances	-	-

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No significant changes in estimation techniques or assumptions were made during the reporting period.
During the year, the Company has recognised loss allowance of Rs Nil (Nil)/

c) Liquidity risk

The Company manages liquidity risk by maintaining sufficient cash and marketable securities and by having access to funding through an adequate amount of committed credit lines. The treasury department regularly monitors the position of Cash and Cash Equivalents vis-à-vis projections. Assessment of maturity profiles of financial assets and financial liabilities and maintenance of Balance Sheet liquidity ratios are considered while reviewing the liquidity position.

The Company's investment policy and strategy are focused on preservation of capital and supporting the Company's liquidity requirements. The senior Management of the Company oversees its investment strategy and achieve its investment objectives. The Company typically invests in government of India debt bonds and mutual funds. The policy requires investments generally to be investment grade, with the primary objective of minimising the potential risk of principal loss.

The NHAI bonds bear a fixed rate of interest thus they are not affected by the change in bond yield rates and the mutual funds are highly liquid assets which are paid out monthly and re-invested.

The table below provides details regarding the significant financial liabilities as at 31 March 2022 and 31 March 2021

(Rs in Lakh)

Particulars	As on 31st March, 2022		
	Less than 1 Year	1-2 years	2 Years and above
Borrowings	6,896.38	6,896.38	45,157.24
Trade payables	9,278.02	-	-
Other financial liabilities	875.10	-	-

(Rs in Lakh)

Particulars	As on 31 March, 2021		
	Less than 1 Year	1-2 years	2 Years and above
Borrowings	1,831.86	7,327.44	49,790.70
Trade payables	227.79	-	-
Other financial liabilities	1,097.89	-	-

d) Excessive risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographical region, or have economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Company's performance to developments affecting a particular industry.

In order to avoid excessive concentrations of risk, the Company's policies and procedures include specific guidelines to focus on the maintenance of a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly.

The following table gives details in respect of revenues generated from projects.

(Rs in Lakh)

Particulars	For the year ended 31.03.2022	For the year ended 31.03.2021
Revenue from Projects	39,903.21	48,761.53
	39,903.21	48,761.53

C. Capital Management

The Company objective to manage its capital in a manner to ensure and safeguard their ability to continue as a going concern so that the Company can continue to provide maximum returns to shareholders and benefit to other stakeholders. The Company has paid dividend as per the guidelines issued by Department of Investment and Public Asset Management (DIPAM) as follows :-

Dividends :-

(Rs in Lakh)

Particulars	31-Mar-22	31-Mar-21
Dividend Paid	-	-
Total	-	-

Further, the Company manages its capital structure to make adjustments in light of changes in economic conditions and the requirements of the financial covenants.

Debt Equity Ratio :-

(Rs in Lakh)

Particulars	31-Mar-22	31-Mar-21
Borrowings (Note No. 11.1)	58,950.00	58,950.00
Long Term Debt	**58,950.00**	58,950.00
Equity (Note No. 9)	1,000.00	1,000.00
Other Equity (Note No. 10)	22,990.32	12,633.52
Total Equity	23,990.32	13,633.52
Debt Equity Ratio	2.46	**4.32**

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21 Contingent liabilities and Contingent Assets:

(I) Contingent Liabilities:

(a) Claims against the company not acknowledge as debt – NIL
(b) Guarantees excluding financial guarantee – NIL

(II) Contingent Assets: NIL

22 Commitments:

a) Estimated amount of contracts remaining to be executed on capital account (net of advances) is Rs NIL(NIL).

b) **Other Commitments:**
Estimated amount of contracts remaining to be accounted for, on other commitments is Rs.17,331.48 Lakh (Rs 39,335.35 Lakh).

23 (a) Balances with NHAI (Client) is subject to confirmation / reconciliation/ adjustment, if any. The Company has been sending letters for confirmation to parties. However, the Company does not expect any material dispute w.r.t. the recoverability/payment of the same.
(b) In the opinion of the management, the value of current assets, loans and advances on realization in the ordinary course of business, will not be less than the value at which these are stated in the balance sheet.
(c) TDS Receivable amount for the quarter ended 31st March, 2022 is subject to reconciliation as TDS Deductors have not filed their TDS returns whose due date is currently 31st May 2022.

24 (a) Foreign exchange recognised in the statement of profit and loss: NIL
(b) Disclosure of unhedged foreign currency exposure - NIL
(c) Earnings in foreign currency (on accrual basis) : NIL
(d) Expenditure in foreign currency (on accrual basis) : NIL
(e) CIF value of Imports: NIL
(f) Material & store consumed: NIL

25 Disclosure regarding Leases:

I. Company as a Lessee :
The Company as a lessee has entered into lease contracts, which includes lease of office space. Before the adoption of Ind AS 116, the Company classified each of its leases (as lessee) at the inception date as an operating lease.
The Company also has certain leases of offices with lease terms of 12 months or less. The Company applies the 'short-term lease' recognition exemptions for these leases.
The Company's leasing arrangements are in respect of operating leases of premises for offices. leasing arrangement is cancellable and is usually renewable on mutually agreed terms. The amounts of lease payments during the year are as under:

(a) Lease payments in respect of office premises **Rs. 2.97 Lakh** (Rs 2.73 Lakh) - (included in Project expenses Note 16).

II. Company as a Lessor : NIL

26 Segment Reporting:

(i) General Information
Operating segments are defined as components of an enterprise for which discrete financial information is available which is being evaluated regularly by the Chief Operating Decision Maker (CODM) in deciding how to allocate resources and assessing performance. The Board of Directors of the Company is the Chief Operating Decision Maker (CODM). The Company is engaged in the business of infrastructure development in the state of Gujarat and the Chief Operating Decision Maker (CODM) monitors the operating results of the business as a single segment, hence no separate segment needs to be disclosed in accordance with the requirements of Ind AS 108.

(ii) Information about geographical information
As the Company operates in a single geographical segment i.e. India hence no separate geographical segment is disclosed.

(iii) Information about major customer
Revenue of **Rs. 39,903.21 Lakhs** are derived from a single customer i.e. NHAI which is more than 10% of the Company's total revenue.

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27 **Related Party disclosures: Related party to be identified as per IND AS**

a) Enterprises where control exists:

(i) Holding Companies: -

Ircon International Limited (IRCON) – The entire Equity Share Capital of the Company is held by Ircon International Limited (IRCON) Holding company.

b) Key management personnel:

Directors from IRCON: - Shri S L Gupta (date of cessation 13.05.2021), Shri Ashok Kumar Goyal, Shri Raj Kumar (date of cessation 02.08.2021), Shri Yogesh Kumar Mishra (date of cessation 01.10.2021), Ms.Ritu Arora (w.e.f 13.05.2021), Shri Parag Verma (w.e.f. 29.12.2021), Shri Masood Ahmand (w.e.f 02.08.2021), Shri Surajit Dutta (date of cessation 31.03.2022) and Shri B Mugunthan (w.e.f. 01.04.2022)

Others: Shri Nitesh Kumar G Asati, Chief Executive Officer, Sh Raj Kumar, Chief Financial Officer, Ms. Richi Mahajan, Company Secretary (date of cessation 18.10.2021) and Ms Arpita Basu Roy (w.e.f. 07.01.2022)

Remuneration to Key management personnel are as under:

(Rs in Lakh)

S.No.	Particulars	2021-22	2020-21
I	Salary & allowances *	39.88	34.73
II	Contribution to provident fund, pension	5.65	6.68
III	Sitting fee	-	-
IV	Other benefits	11.85	12.00
	TOTAL	57.38	53.41

* IrconVKEL had Part-time Directors during the financial year 2021-22, nominated on the Board by the Holding Company, do not draw any remuneration from the Company. No sitting fee is paid to Part- time Directors.

(c)Related Party Transactions during the year ended 31st March, 2022

(Rs in Lakh)

Particular	Transactions During the F.Y 2021-22	Transactions During the F.Y 2020-21	Outstanding Amount as at 31.03.2022	Outstanding Amount as at 31.03.2021
Investment in Equity of IrconVKEL by	-	-	1,000.00	1,000.00
Interest free advance provided by IRCON	4,341.00	-	16,918.00	12,577.00
Loan provided by IRCON to IrconVKEL	-	40,850.00	-	58,950.00
Repayment of Loan by IrconVKEL to IRCON	58,950.00	-	-	-
Unsecured loan provided by IRCON to IrconVKEL	3,448.00	-	3,448.00	-
Interest paid/payable on Loan	1,353.29	1,772.73	18.77	-
Remuneration to Key Management	57.38	53.41	-	-
Work Expenses	27,223.64	46,551.02	9,265.33	275.53
Reimbursement of PF/Pension contribution, Rent, BG charges, other expenses & staff advance etc to IRCON	65.48	75.22	12.69	5.17
Insurance Claim paid	-	126.40	-	-
Moblisation advance provided to IRCON	-	-	-	2,196.85
Interest received/receivable on Moblisation advance provided to IRCON	40.97	342.18	-	114.07

d) **Terms and conditions of transactions with related parties**

(i) Transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions.

(ii) Outstanding balances of related parties at the reporting date are unsecured and settlement occurs through banking transactions.

28 During the year, the Company has carried out assessment on impairment of individual assets by working out the recoverable amount based on lower of the net realisable value and carrying cost in terms of Ind AS 36, "Impairment of Assets" notified under section 133 of the companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian accounting standards) Amendment Rules 2016. Accordingly, impairment loss of Rs Nil has been provided for."

29 **Earnings Per Share**

Disclosure as per Ind AS 33 'Earnings per share'

Basic EPS is calculated by dividing the profit for the year attributable to equity holders by the weighted average number of equity shares outstanding during the

Diluted EPS is calculated by dividing the profit for the year attributable to the equity holders after considering the effect of dilution by weighted average number of equity shares outstanding during the year plus the weighted average number of equity shares that would be issued on conversion of all the dilutive potential equity shares into equity shares.

(i) Basic and diluted earnings per share (in Rs.)

Particulars	Note	For the year ended 31st March 2022	For the year ended 31st March 2021
Profit attributable to Equity holders (Rs.in Lakh)	(ii)	6,015.80	27.54
Weighted average number of equity shares for Basic and Diluted EPS	(iii)	10,000,000.00	10,000,000.00
Earnings per share (Basic)		60.16	0.28
Earnings per share (Diluted)		60.16	0.28
Face value per share			

(ii) Profit attributable to equity shareholders (used as numerator) (Rs.lakhs)

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Profit for the year as per Statement of Profit and Loss (Rs in Lakh)	6,015.80	27.54
Profit attributable to Equity holders of the company used for computing EPS:	6,015.80	27.54

(iii) Weighted average number of equity shares (used as denominator) (Nos.)

Particulars	For the year ended 31st March 2022	For the year ended 31st March 2021
Opening balance of issued equity shares	10,000,000.00	10,000,000.00
Equity shares issued during the year		
Weighted average number of equity shares for computing Basic EPS	**10,000,000.00**	**10,000,000.00**
Dilution Effect:		
Add: Weighted average numbers of potential equity shares outstanding during the year	-	-
Weighted average number of equity shares for computing Diluted EPS	**10,000,000.00**	**10,000,000.00**

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30 **Disclosure under Ind AS-19 on Employee benefits**

The persons working for Ircon Vadodara Kim Expressway Limited are posted on nomination/ secondment basis from IRCON (Holding Company).

The provision for Retirement Benefits of nominated employees in terms of Ind AS-19 is being made by its Holding company as per accounting policy (Note No 2.2.7).

Provident Fund Contribution of the employees on nomination/secondment have been regularly deposited by the holding company with its P.F Trust.

31 **Disclosure under Ind AS-115 on Revenue from contracts with Customers***

(a) Disaggregation of Revenue
Below is the disaggregation of the Company's revenue from contracts with customers:

(Rs in Lakh)

For the year ended March 31, 2022						
Type of goods or service	**Railways**	**Highway**	**Electrical**	**Building**	**Others**	**Total**
Timing of satisfaction of performance obligation:						
Over time	-	39,903.21	-	-	-	39,903.21
At a point in time	-	-	-	-	-	-
Total	-	39,903.21	-	-	-	39,903.21
Method for measuring performance obligation:						
Input method	-	39,903.21	-	-	-	39,903.21
Output method	-	-	-	-	-	-
Total	-	39,903.21	-	-	-	39,903.21
Geographical markets:						
Domestic	-	39,903.21	-	-	-	39,903.21
International	-	-	-	-	-	-
Total	-	39,903.21	-	-	-	39,903.21

For the year ended March 31, 2021						
Type of goods or service	**Railways**	**Highway**	**Electrical**	**Building**	**Others**	**Total**
Timing of satisfaction of performance obligation:						
Over time	-	48,761.53	-	-	-	48,761.53
At a point in time	-	-	-	-	-	-
Total	-	48,761.53	-	-	-	48,761.53
Method for measuring performance obligation:						
Input method	-	48,761.53	-	-	-	48,761.53
Output method	-	-	-	-	-	-
Total	-	48,761.53	-	-	-	48,761.53
Geographical markets:						
Domestic	-	48,761.53	-	-	-	48,761.53
International	-	-	-	-	-	-
Total	-	48,761.53	-	-	-	48,761.53

(b) **The reconciliation of the revenue from contracts with customers with the amounts disclosed in the segment information:**
Revenue from Segment Reporting is Rs. 399,03.21 Lakh (Rs 487,61.53 Lakh).

(c) The Company has applied modified retrospective approach for the application of Ind AS 115 "Revenue from contracts with customers" and the effect is nil on retained earnings as at April 1, 2018.

(d) Contract Balances:

(Rs in Lakh)

Particulars	March 31, 2022	March 31, 2021
Trade Receivables (Note 6.1)	233.35	4,429.14
Contract Assets (Note 4.2 & 6.5)	84,210.31	63,851.84
Contract Liabilities (Note 13)	-	4,662.50

(i) Trade receivables are non-interest bearing and the customer profile is National Highway Authority of India. The Company's average project execution cycle is around 24 to 36 months. General payment terms include mobilisation advance, monthly progress payments with a credit period ranging from 45 to 60 days.

(ii) Contract Assets are recognised over the period in which services are performed to represent the Company's right to consideration in exchange for goods or services transferred to the customer. It includes balances due from customers under construction contracts that arise when the Company receives payments from customers as per terms of the contracts however the revenue is recognised over the period under input method. Any amount previously recognised as a contract asset is reclassified to trade receivables on satisfaction of the condition attached i.e. future service which is necessary to achieve the billing milestone.

(Rs in Lakh)

Particulars	March 31, 2022	March 31, 2021
Contract Assets at the beginning of the year	63,851.84	32,828.40
Contract Assets at the end of the year (Note 4.2 & 6.5)	84,210.31	63,851.84
Net Increase/(Decrease)	20,358.47	31,023.44

For the year 2021-22, there has been net increase by Rs 20,358.47 Lakh (Rs 310,23.44 Lakh) as compared to last year is due to recognition of revenue based on input method whereas bills for work done are certified based on contract condition after adjusting bill raised to Client.

(iii) Contract liabilities relating to construction contracts are balances due to customers, these arise when a particular milestone payment exceeds the revenue recognised to date under the input method and advance received in long term construction contracts. The amount of Advance received gets adjusted over the construction period as and when invoicing is made to the customer.

(Rs in Lakh)

Particulars	March 31, 2022	March 31, 2021
Contract Liabilities at the beginning of the year	4,662.50	9,325.00
Contract Liabilities at the end of the year (Note 13)	-	4,662.50
Net Increase/(Decrease)	-4,662.50	-4,662.50

For the year 2021-22, There has been net decrease by Rs 46,62.50 Lakh (Rs 46,62.50 Lakh) as compared to last year are mainly due to advance payment received from client and after adjustment of advance payment from Client against works executed during the year.

(iv) Details of the Unbilled Revenue Conveted into the trade receivables are as follows:-

Particulars	March 31, 2022	March 31, 2021
Unbilled revenue converted into trade receivable	18,992.51	18,374.86

(e) Revenue recognised in the period from:

(i) The following table shows how much of the revenue recognised in the current reporting period relates to brought-forward contract liabilities.

(Rs in Lakh)

Particulars	March 31, 2022	March 31, 2021
Amount received as Advance in Construction Contracts (Note 13)	-	4,662.50
Amount due to Customers (Note 6.1)	233.35	4,429.14

(f) Unsatisfied long-term contracts

The following table shows unsatisfied performance obligations resulting from long-term construction contracts:

(Rs in Lakh)

Particulars	March 31, 2022	March 31, 2021
Aggregate amount of the transaction price allocated to long-term construction contracts that are partially or fully unsatisfied as at 31 March	24,429.44	643,32.65

Management expects that transaction price allocated to the unsatisfied contracts as of March 31, 2022 will be recognised as revenue in the future as follows:

(Rs in Lakh)

Particulars	March 31, 2022**	March 31, 2021**
In one year or less	24,429.44	643,32.65
More than one year to 2 years	-	-
More than 2 years	-	-
Total	24,429.44	**643,32.65**

**The amount disclosed above does not include variable consideration which is constrained.

(g) Change in Accounting Estimates related to the Revenue Recognition:-

Company has used the cost incurred as input to measure the progress towards satisfaction of performance obligation due to the uncertainty in measuring the performance obligation of construction of highway road, revenue was recognised to the extent of cost incurred upto 31.03.2021. Considering the substantial construction progress of the Project, Management has now evaluated cost & revenue position and included the profit margin in the revenue in the year ended 31.03.2022 using cumulative catch-up adjustment. Amount of revenue recognised from the performance obligations satisfied in previous years is Rs 6361.03 lakh (Rs Nil). Further, impact on the movement of contract assets is as under :-

(Rs in Lakh)

Particulars	Contract Assets
Contract Assets balance at the beginning of the year	63,215.07
Transfers from the contract assets recognized at the beginning of the year to receivables	18,992.51
Revenue recognized during the year, to be invoiced	31,940.25
Changes as a result of cumulative catch-up adjustment arising from chnage in estimates	7,962.96
Contract Assets balance at the end of the year	84,125.77

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32 Disclosure as required by the Micro, Small and Medium Enterprises Development Act, 2006 are as under: -

(Rs in Lakh)

Particulars	For the year 31st Mar 2022	For the year 31st Mar 2021
(a). the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year:	Nil	Nil
- Principal amount due to Micro, Small and Medium Enterprises		
- Interest due on above		
(b). the amount of interest paid by the Region in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;		
(c). the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act,2006		
(d). the amount of interest accrued and remaining unpaid at the end of each accounting year;		
(e). the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.		

33 Service Concession Arrangements

Public to private service concession arrangements are recorded in accordance with Appendix "C"- Service Concession Arrangements (Ind AS-115). Appendix "C" is applicable if:

a) The Grantor controls or regulates which services the operator should provide with the infrastructure, to whom it must provide them, and at what price; and

b) The Grantor controls- through ownership, beneficial entitlement, or otherwise- any significant residual interest in the infrastructure at the end of the term of the arrangement.

If both of the above conditions are met simultaneously, a financial asset is recognized to the extent that the operator has an unconditional contractual right to receive cash or other financial asset from or at the discretion of the Grantor for the service.

These financial assets are initially recognized at cost, which is understood as the fair value of the service provided plus other direct costs directly attributable to the operation. They are then stated at amortized cost at the end of each financial year.

The Company (IrconVKEL) has entered into service concession arrangement with National Highway Authority of India (NHAI) dated 25.08.2018. in terms of which NHAI (the grantor) has authorized the company for construction, operation and maintenance of Vadodara Kim Expressway from (Sapna to Padra Section of Vadodara Mumbai Expressway) (Phase IA-Package II) from km 323.00 to km 355.00 (approx., 32 km) in the State of Gujarat by Eight-Laning thereof on design, build, finance, operate and transfer ("DBOT Annuity" or "Hybrid Annuity") and transfer basis . In terms of the said agreement IrconVKEL has an obligation to complete construction of the project and to keep the project assets in proper working condition. The Project is under Annuity pattern.

The Concession period shall be 15 years commencing from the appointed date. At the end of the concession period, the assets will be transferred back to National Highway Authority of India (NHAI).

In case of material breach in terms of agreement the NHAI and IrconVKEL have right to terminate the agreement if they are not able to cure the event of default in accordance with such agreement.

Disclosure in terms of Appendix D of Ind AS 115

In terms of the disclosure required in Appendix D in Ind AS -115 Revenue from Customers, as notified in the companies (Indian Accounting Standard) rules 2016, the amount considered in the financial statements up to the balance sheet date are as follows:-

(Rs in Lakh)

Particular	For the year ended 31st March 2022	For the year ended 31st March 2021
Contract Revenue Recognized	39,903.21	48,761.53
Aggregate amount of Cost incurred	31,941.94	48,761.53
Amount of advance received from Client	-	-
Amount of retention by Client	84.53	636.78475
Profit/(Loss) recognised during the period for exchange of construction service for a financial asset	-	-
Gross amount due from Client for Contract Works	233.35	4,429.14

34 Covid -19 Disclosure

The Company has considered the possible effects that may result from Covid-19 in the preparation of its financial results including the recoverability of carrying amounts of financial and non-financial assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of Covid-19, the Company has used internal and external sources of information and expects that the carrying amount of the assets will be recovered.

The actual impact of this global health pandemic may be different from that which has been estimated, as the Covid- 19 situation evolves in India and globally. However, the Company will continue to closely monitor any material changes to future economic conditions.

IRCON VADODARA KIM EXPRESSWAY LIMITED CIN-U74999DL2018GOI334028

IRCON VADODARA KIM EXPRESSWAY LIMITED
CIN - U74999DL2018GOI334028
Notes forming part of the financial statements for the year ended 31st March 2022

35 Disclosures pursuant to amendment in Schedule III of the Companies Act 2013:

The MCA vide notification dated 24th March 2021 has amended Schedule III to the Companies Act. 2013 in respect of certain disclosures which are applicable from 1st April 2021. The Company has incorporated the changes as per the said amendment in the financial statements and below disclosures are made in compliance of the said amendment :

(i) The Company has no transactions with companies struck off under section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956 during the year.
(ii) The Company has not traded or invested in Crypto Currency or Virtual Currency during the year.
(iii) The Compnay do not have any Benami property, where any proceeding has been initiated or pending against the company for holding any Benami property.
(iv) The Company do not have any prior period errors to be disclosed separately in statement of changes in equity.
(v) The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period,
(vi) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
  (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
  (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
(vii) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
  (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
  (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
(viii) The Company does not have any loans and advances in the nature of loans to promoters, directors, KMP and other related parties.
(ix) Company has used the Borrowing for the purpose for which it is taken.
(x) Company has not been declared as willfull defaulter by any bank or financial Instution
(xi) Company is not required to submit statement of current assets with the bank and therefore reconcilation of the statement filed by the company with bank and the books of accounts is not applicable.
(xii) The following accounting ratios are disclosed:

Particulars	Numerator	Denominator	March 31, 2022	March 31, 2021	% change	Reason for change more than 25%
Current ratio	Current Assets	Current Liabilities	0.73	4.66	-84.37%	Increase in the Current liablities in Current year
Debt-equity ratio	Total Debt	Shareholder's Equity	2.46	4.32	-43.17%	Increase in the Profit in Current year
Debt service coverage ratio	Earnings for debt service = Net profit after taxes + Non-cash operating expenses	Debt service = Interest & Lease Payments + Principal Repayments	0.15	1.02	-85.00%	Repayment of Loans in Current year
Return on equity ratio	Net Profits after taxes – Preference Dividend	Average Shareholder's Equity	0.25	0.00	12311.47%	Increase in the Profit in Current year
Inventory turnover ratio	Cost of goods sold	Average Inventory	NA			
Trade receivables turnover ratio	Net credit sales = Gross credit sales - sales return	Average Trade Receivable	171.00	11.01	1453.25%	Decrease in the Trade Receivables in Current year
Trade payable turnover ratio	Net credit purchases = Gross credit purchases - purchase return	Average Trade Payables	NA			
Net capital turnover ratio	Net sales = Total sales - sales return	Working capital = Current assets – Current liabilities	-8.49	1.63	-621.05%	Increase in the Current liablities in Current year
Net profit ratio	Net Profit	Net sales = Total sales - sales return	0.15	0.00	26588.29%	Increase in the Profit in Current year
Return on capital employed	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	0.16	0.03	5.34	Increase in the Profit in Current year
Return on investment	Interest (Finance Income)	Investment	NA			

36 Corporate Social Responsibility

The Company is not covered under section 135 of the Companies Act, 2013 and no CSR expenditure has been incurred during the year.

37 Disclosure pursuant to section 186 of the Companies Act 2013:

There are no loans given, investments made and guarantee given other than disclosed in note 14 are made by the Company during the year.

38 Recent pronouncement

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, as below. 1.Ind AS 16 – Property Plant and equipment - The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022. The Company has evaluated the amendment and there is no impact on its consolidated financial statements.

2.Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets – The amendment specifies that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022, although early adoption is permitted. The Company has evaluated the amendment and the impact is not expected to be material. 3.Fees in the '10 per cent' test for derecognition of financial liabilities

The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf.

An entity applies the amendment to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment.

39 Other disclosures

(i) The Company has a system of obtaining periodic confirmation of balances from banks and other parties.

(ii) In the opinion of the management, the value of assets on realisation in the ordinary course of business, will not be less than the value at which these are stated in the Balance Sheet.

(iii) Figures rounded off to the nearest rupees in Lakh.

40 Certain previous year figures have been reclassified for consistency with current year presentations. These reclassifications have no effect on the reported results of operations. Also, previous year figures are shown under bracket ( ) to differentiate from current year figures.

As per our Report of even date attached

For Bhasin Raghavan & Co
Chartered Accountants
FRN : 000197N

Vikram Singh
Partner
M. No. 093458

Place : New Delhi

Date : 17.05.2022

For Ircon Vadodara Kim Expressway Limited

B Mugunthan
Director
DIN - 08517013

Masood Ahmad
Director
DIN - 00008553

Nitesh Kumar G Asati
CEO

Raj Kumar
CFO

Arpita Basu Roy
CS

IRCON VADODARA KIM EXPRESSWAY LIMITED CIN-U74999DL2018GOI334028

भारतीय लेखापरीक्षा एवं लेखा विभाग
प्रधान निदेशक लेखापरीक्षा का कार्यालय
रेलवे वाणिज्यक ,नई दिल्ली
INDIAN AUDIT AND ACCOUNTS DEPARTMENT
OFFICE OF THE PRINCIPAL DIRECTOR OF AUDIT
RAILWAY COMMERCIAL, NEW DELHI
4, दीनदयाल उपाध्याय मार्ग, नई दिल्ली 4, Deen Dayal Upadhyaya Marg, New Delhi-110002

लोकहितार्थ सत्यनिष्ठा
Dedicated to Truth in Public Interest

सत्यमेव जयते

संख्या: पी डी ए/आर सी/ **AA-IVKEL/48-04 /2022-23/** 181 दिनांक: 28**.07.2022**

सेवा में,

मुख्य कार्यकारी अधिकारी,
इरकॉन वडोदरा किम एक्सप्रेसवे लिमिटेड,
सी-4, डिस्ट्रिक्ट सेंटर, साकेत,
नई दिल्ली – 110 017.

महोदय,

विषय: **31 मार्च 2022 को समाप्त वर्ष के लिए इरकॉन वडोदरा किम एक्सप्रेसवे लिमिटेड के वित्तीय विवरणों पर कंपनी अधिनियम 2013 की धारा 143 (6)(b) के अंतर्गत भारत के नियंत्रक एवं महालेखापरीक्षक की टिप्पणियाँ |**

मैं, इरकॉन वडोदरा किम एक्सप्रेसवे लिमिटेड के **31** मार्च **2022** को समाप्त वर्ष के वित्तीय विवरणों पर कंपनी अधिनियम **2013** की धारा **143 (6) (b)** के अंतर्गत भारत के नियंत्रक एवं महालेखापरीक्षक की टिप्पणियाँ अग्रेषित कर रहा हूँ |

कृप्या इस पत्र की संलग्नको सहित प्राप्ति की पावती भेजी जाए।

भवदीय,

संलग्न :यथोपरि

विक्रम डी. मुरुगराज
28.07.2022
विक्रम डी. मुरुगराज
प्रधान निदेशक (रेलवे वाणिज्यक)

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6) (b) OF THE COMPANIES ACT, 2013, ON THE FINANCIAL STATEMENTS OF IRCON VADODRA KIM EXPRESSWAY LIMITED FOR THE YEAR ENDED 31 MARCH 2022

The preparation of financial statements of **IRCON VADODRA KIM EXPRESSWAY LIMITED** for the year ended 31 March 2022 in accordance with the financial reporting framework prescribed under the Companies Act, 2013, is the responsibility of the management of the Company. The Statutory Auditor appointed by the Comptroller and Auditor General of India under Section 139 (5) of the Act is responsible for expressing opinion on the financial statements under Section 143 of the Act, based on independent audit in accordance with the standards on auditing prescribed under Section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 17 May 2022.

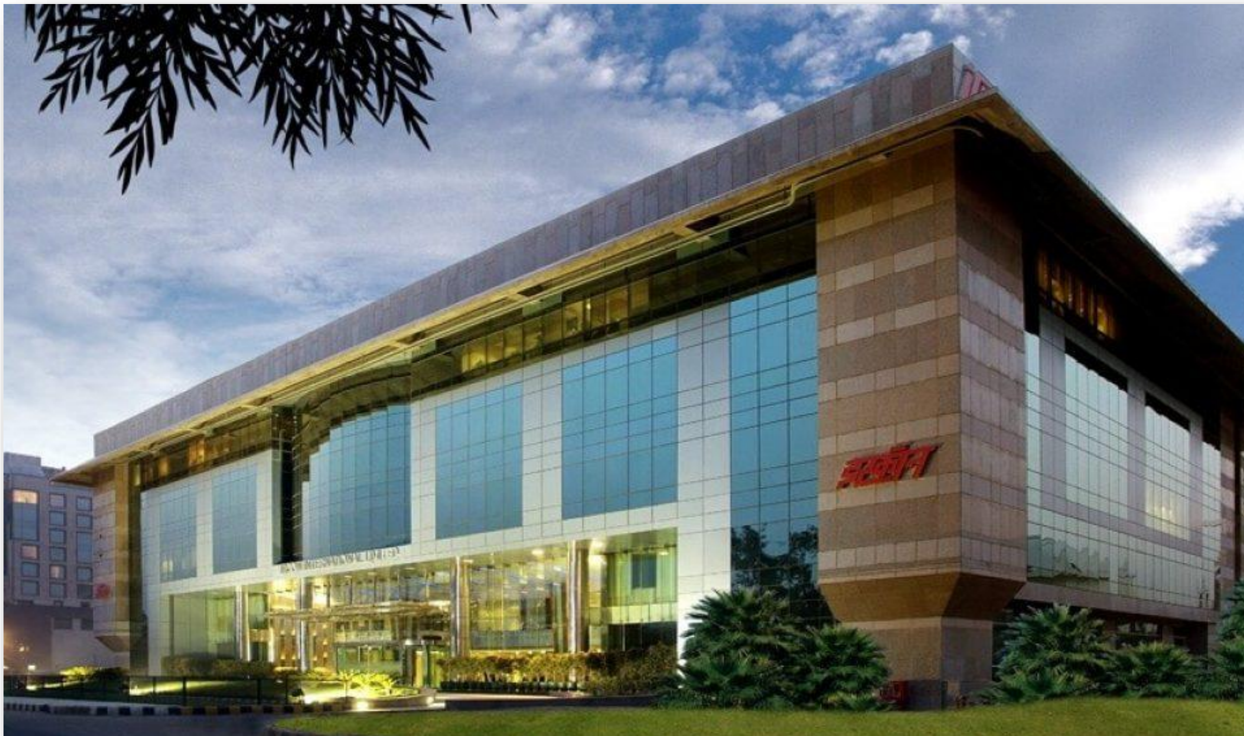
I, on behalf of the Comptroller and Auditor General of India, have decided not to conduct supplementary audit of the financial statements of **IRCON VADODRA KIM EXPRESSWAY LIMITED** for the year ended 31 March 2022 under Section 143 (6)(a) of the Act.

For and on the behalf of the
Comptroller & Auditor General of India

Vikram D. Murugaraj
28.07.2022

Place: New Delhi
Dated: 28.07.2022

Vikram D. Murugaraj
Principal Director of Audit
Railway Commercial, New Delhi



IRCON VADODARA KIM EXPRESSWAY LIMITED
(‘IrconVKEL’)

Registered & Corporate Office:

C-4, District Centre, Saket, New Delhi -110017, India

Tel.: +91-11-29565666 | Fax: +91-11-26522000, 26854000

E-mail id: csirconvkel@gmail.com