2023

Annual Report

Ircon Davanagere Haveri Highway Limited

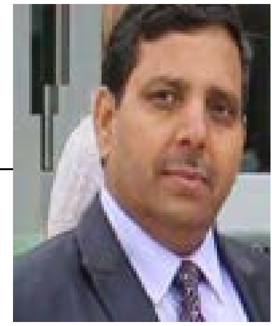
(A Wholly owned subsidiary of Ircon International Limited)

CIN: U45500DL2017GOI317401

Contents

BOARD OF DIRECTORS

Mr. Devendra Kumar Sharma
Chairman



Mr. Masood Ahmad
Director

Mr. Rohit Parmar
Director

Ms. Ritu Arora
Director

IRCON DAVANAGERE HAVERI HIGHWAY LIMITED

KEY MANAGERIAL PERSONNEL

Shri Goutam Kumar Mishra	: Chief Executive Officer
Shri Mahadeb Mandal	: Chief Financial Officer
Shri Pradeep Kumar	: Company Secretary

AUDITORS

M/s G A C S & Associates Chartered Accountants	: Statutory Auditor
M/s Arvind Rattan & Co., LLP, Chartered Accountants	: Internal Auditor
M/s. Jayesh Parmar & Associates Company Secretary	: Secretarial Auditor
M/s. Ravi Sahni & Co., Cost Accountants	: Cost Auditor

BANKERS

Punjab National Bank, Tolstoy House, Tolstoy Road, New Delhi-110001

CONTACT PERSON	REGISTERED OFFICE
Shri Pradeep Kumar Company Secretary E-mail: ircondhhl@gmail.com	C-4, District Centre, Saket New Delhi-110017

Equity & Loan

(As on 31.03.2023)

CHAIRMAN'S ADDRESS

AT THE SIXTH (6^{TH}) ANNUAL GENERAL MEETING HELD ON 4^{th} August 2023

Dear Shareholders,

At the outset, please accept my sincere wishes for the good health and safety of you and your loved ones. I am delighted to welcome you all at the Sixth (6^{th}) Annual General Meeting of Ircon Davanagere Haveri Highway Limited (IrconDHHL) and present the Audited Statements for the Financial year 2022-23. I would like to thank each one of you for making it convenient for joining this meeting.

I would like to place before you, few highlights of Ircon Davanagere Haveri Highway Limited (IrconDHHL).

IrconDHHL, a wholly-owned subsidiary of Ircon International Limited (IRCON), incorporated as a Special Purpose Vehicle ('SPV') on 11^{th} May 2017, for executing the project work of "Six - laning of Davanagere-Haveri from Km 260+000 to Km 338+923 of NH-48 (old NH-4) in the State of Karnataka in accordance with the terms of the Concession Agreement (CA), executed with the National Highways Authority of India (NHAI). The concession period of the project comprises of construction period of 912 days (30 months) commencing from the Appointed Date i.e., January 24, 2018 and operation and maintenance period of 15 years commencing from Commercial Operation Date (COD), with the total project bid cost is ₹1177 Crore plus escalation during Construction, Operation & Maintenance (O&M) cost is ₹10 Crore per annum with escalation during the entire O&M period.

The Provisional Completion Certificate (PCC) for 71.738 Km out of 78.923 Km of project highway was issued by Independent Engineer (IE) w.e.f. 28.05.2021 by descoping the balance work affected due to local hindrances. The revised bid project cost was finalized by the IE for an amount of ₹949.59 Crore from the original value of ₹1177 Crore as per the terms of CA for adjusting milestone payments already made based on the original BPC and for the payment of Annuities and Interest etc.

A total amount of ₹180.39 Crore (excluding GST) has already been received from the NHAI towards four Annuities due as per the terms of CA along with the payment for O&M cost.

The descoped works have been rescoped with a Settlement Agreement signed on 25.04.2023 with NHAI with the completion date as 31.10.2024. EPC contractor (Ircon) has started execution of the balance work.

Financial Performance

During the year, IrconDHHL achieved Total Income of ₹7658.44 Lakhs (including other income of ₹5683.19 Lakhs and profit/(Loss) after tax for the Financial Year 2022-23 of ₹2637.04 Lakhs.

IrconDHHL has availed Term Loan facility of ₹502.76 Crore from Punjab National Bank (PNB) to finance the project.

During the year, out of the total sanctioned Term Loan of ₹502.76 Crore, ₹362.97 Crore has been disbursed by PNB.

Compliances and Disclosures

Compliance and Disclosures under the Companies Act, 2013 and its associated rules there under are fully being adhered to. CPSE's constituted as Special Purposed (SPV) are exempted from compliance with the DPE Guidelines on Corporate Governance for CPSEs. Hence, Corporate Governance guidelines of DPE are not applicable on your Company.

Memorandum of Understanding (MOU)

Memorandum of Understanding (MoU): Your Company has requested IRCON to grant it exemption from compliance of Annual MoU exercise for the financial year 2022-23 and 2023-24, in line with the Memorandum of Understanding (MoU) Guidelines issued by Department of Public Enterprises (DPE) dated 10th March, 2023 and IRCON vide its letters dated 07th November, 2022 and 06th February, 2023 has granted exemption to the Company from compliance of Annual MOU exercise for the financial year 2022-23 and 2023-24 respectively.

Acknowledgements

I, on behalf of Board of Directors, express my heartfelt thanks for the valuable assistance and co-operation extended to the Company by Ministry of Road, Transport & Highways (MoRTH), National Highways Authority of India (NHAI), Ircon International Limited and the Auditors of the Company. I acknowledge the efforts of the Company's employees, who are our most valuable asset. Their dedication, intellect, hard work, and deep sense of value has been the key to take our company forward.

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

For and on behalf of
Ircon Davanagere Haveri Highway Limited

Sd/-

Devendra Kumar Sharma
Chairman
DIN: 08556821

Date: 01.08.2023
Place: New Delhi

DIRECTORS' REPORT

IRCON DAVANAGERE HAVERI HIGHWAY LIMITED

Dear Members,

Your Directors have immense pleasure in presenting the **6th Annual Report** together with the Audited Financial Statements of the Company for the year ended March 31,2023.

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

Ircon Davanagere Haveri Highway Limited (IrconDHHL), a wholly owned subsidiary of Ircon International Limited (IRCON) incorporated on May 11, 2017 as a Special Purpose Vehicle (SPV) with the main object to execute "Six-laning of Davanagere- Haveri from km 260+000 to km 338+923 of NH-48 (old NH- 4) in the State of Karnataka, to be executed as Hybrid Annuity Mode on Design, Build, Finance, Operate and Transfer (DBFOT) basis under NHDP Phase-V" in accordance with the terms of the Concession Agreement, signed with the National Highways Authority of India (NHAI) on June 19, 2017.

The concession period of the project comprises of construction period of 912 days (30 months) commencing from the Appointed Date i.e. January 24, 2018 (as fixed by NHAI) and operation and maintenance period of 15 years commencing from COD, with the total project bid cost is ₹1177 Crore plus escalation excluding Operation & Maintenance (O&M) cost. The scope of work comprises of six-laning of 78.923 Km (total length of Highway) of existing four lane main carriageway along with construction of 154.654 Km of service road length including major bridges, culverts, Vehicular underpasses, pedestrian underpasses, flyovers and other allied works.

The Scheduled date of completion of project was 24.07.2020. NHAI has approved Extension of Time (EOT) for the Project on account of COVID-19 upto 28.05.2021 and issued Provisional Completion Certificate (PCC) w.e.f 28.05.2021 with certain punch list items. Accordingly, from the said date, the project had entered into operation and maintenance phase for the period of 15 years and in order to place an agency to carry out the O&M for initially a period of 2 years through open tender, O&M work has been awarded to M/s G R Engineers & Contractors, Mathura (U.P.) w.e.f. 07.10.2021.

Due to hindrances not attributable to the Company, the Authority had descoped the work of 6.88 Km of Main Carriage Way and 49.848 Km of Service Road. On request for rescoping of descoped work by the Company, NHAI has rescoped the work. A Settlement Agreement for the execution of balance scope of work has been signed on 25.04.2023 and the work is to be completed within the execution target of 18 months i.e upto 31.10.2024. Thus, completing the entire scope of work as envisaged in the Concession Agreement as per Original Bid Project Cost.

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 2022-23 as per Indian Accounting Standards (IND AS).

Financial performance indicators as on 31st March 2023:

(Amount in ₹ In Lakh)

S.No.	Particulars	For the Year Ended 31.03.2023	For the Year Ended 31.03.2022
1.	Equity Share Capital	17,300.00	17,300.00
2.	Other Equity (includes Reserves and Surplus)	5029.27	2,392.23
3.	Net Worth	22329.27	19,692.23
4.	Borrowings (Long term)	34729.61	36,404.65
5.	**Total Assets and Liabilities**	**61797.48**	**61937.06**
6.	Revenue from Operations	1975.25	797.76
7.	Other Income	5683.19	3,773.32
8.	**Total Income (6) + (7)**	7658.44	4,571.08
9.	**Profit Before Tax (8)-(11)**	3471.18	836.90
10.	**Profit/(Loss) After Tax**	**2637.04**	**586.67**
11.	Balance of Profit/loss for earlier years	1006.23	419.56
12.	Balance carried forward	3643.27	1006.23

During the year, IrconDHHL achieved Total Income of ₹7658.44 Lakhs (including other income of ₹5683.19 Lakhs) and profit/(Loss) after tax for the Financial Year 2022-23 of ₹2637.04 Lakhs.

During the FY 2022-23, CARE Ratings Limited has provided AA- (Double A Stable) rating for the long-term bank facilities of ₹474.5 Crore to your Company.

3. **DIVIDEND & APPROPRIATION TO RESERVE:**

The Board of Directors does not recommend any dividend for the financial year 2022-23.

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 ₹3643.27 Lakhs in Retained Earnings as on March 31, 2023.

4. **SHARE CAPITAL/ DEMATERIALISATION:**

The Authorized Share Capital and the Paid-up Share Capital of the Company as on 31st March 2023 is ₹217.05 Crore comprising of 21,70,50,000 Equity Shares of ₹10/- each and ₹173 Crore comprising of 17,30,00,000 Equity Shares of ₹10/- each, respectively. During the year under review, 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 IrconDHHL.

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 project activities during the year is ₹2904.42 Lakh.

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 2022-23

As per Articles of Association of the Company, the Board of the Company is appointed by the holding company, IRCON. As on 31.03.2023, total no. of Directors is Four (4) including Chairman and all the directors are nominated by the Holding Company. During the FY 2023, 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. Devendra Kumar Sharma, Chairman	08556821	Appointed w.e.f 10.10.2022
Mr. Masood Ahmad, Director	09008553	-
Mr. Rohit Parmar, Director	08190141	Appointed w.e.f 01.04.2022 Regularized at the 5th AGM held on 23rd August 2022
Ms. Ritu Arora, Director	00002455	-
Mr. Ashok Kumar Goyal, Chairman	05308809	Cessation w.e.f. 10.10.2022
Mr. Parag Verma, Director	05272169	Regularized at the 5th AGM held on 23.08.2022 Cessation w.e.f. 10.10.2022
Mr. B. Mugunthan, Director	08517013	Appointed w.e.f 01.04.2022 Cessation w.e.f. 01.06.2022

Mr. Devendra Kumar Sharma, Director (DIN: 08556821) was appointed as Additional Part-time Directors of the Company w.e.f. 10th August 2022, who hold office upto the date of ensuing Annual General Meeting and his appointment is proposed to be regularized at the ensuing AGM of the Company and 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. Devendra Kumar Sharma giving his candidature for appointment as Directors, liable to retire by rotation, in the ensuing Annual General Meeting.

During the year, Mr. Ashok Kumar Goyal and Mr. Parag Verma ceased to be Directors of the Company and the Board placed on record its appreciation for their valuable contribution and guidance and support given by them during their tenure as Directors of the Company.

Ms. Ritu Arora (DIN 00002455) retires by rotation and being eligible, offers herself for re-appointment. A resolution seeking shareholders' approval for her re-appointment along with other required details forms part of the Notice.

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

Key Managerial Personnel:

Pursuant to the provisions of Section 203 of the Companies Act 2013, the Key Managerial Personnel (KMP) of the Company during the FY 2023 are as follows:

Name	Designation
Mr. Nagangouda Hanumanthgouda Patil	Chief Executive Officer (Cessation w.e.f. 24.08.2022)

Mr. Goutam Kumar Mishra	Chief Executive Officer (w.e.f. 24.08.2022)
Mr. Mahadeb Mandal	Chief Financial Officer
Mr. Pradeep Kumar Baisoya	Company Secretary (w.e.f. 12.04.2022)

8. **Board Meetings:**

During the FY 2022-23, the Board met Six (6) times on 17.05.2022, 04.08.2022, 14.09.2022, 20.09.2022, 03.11.2022 and 31.01.2023. 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
17.05.2022	5	5
04.08.2022	5	5
14.09.2022	5	3
20.09.2022	5	4
03.11.2022	4	4
31.01.2023	4	4

The table below shows attendance of the Board members at the Board Meetings held during the FY 2022-23 and their attendance in the last Annual General Meeting (AGM):

Name of Director	Meeting Date						Whether attended last AGM held on 23.08.2022	Total Meetings held during the tenure	No. of Meetings attended	% of Attendance
	17.05.2022	**04.08.2022**	**14.09.2022**	**20.09.2022**	**03.11.2022**	**31.01.2023**				
Mr. Ashok Kumar Goyal (upto 10.10.2022)	✓	✓	✓	✓	-	-	✓	**4**	**4**	**100**
Mr. Parag Verma (upto 10.10.2022)	✓	✓	×	✓	×	×	✓	**4**	**3**	**75**
Mr. B Mugunthan (upto 01.06.2022)	✓	×	×	×	×	×	×	**1**	**1**	**100**

Mr. Devendra Kumar Sharma (w.e.f. 10.10.2022)	×	×	×	×	✓	✓	×	**2**	**2**	**100**
Ms. Ritu Arora	✓	✓	✓	✓	✓	✓	✓	**6**	**6**	**100**
Mr. Masood Ahmad	✓	✓	×	×	✓	✓	✓	**6**	**4**	**67**
Mr. Rohit Parmar (w.e.f 01.06.2022)	×	✓	✓	✓	✓	✓	✓	**5**	**5**	**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).

IrconDHHL, 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, Corporate Governance guidelines of DPE are not applicable on IrconDHHL.

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 2023, 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, 2023 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. DIRECTORS' OBSERVATION AND COMMENTS 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.

12. AUDITORS:

Statutory Auditor:

M/s G A C S & Associates, Chartered Accountants, had been appointed as Statutory Auditors, for the Financial Year 2022-23 vide CAG letter No. CA. V/COY/ Central Government, IDHHL(I)564 dated 31.08.2022. 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 had re-appointed M/s. Ravi Sahni & Co., Cost Accountants, as Cost Auditor of the Company for the FY 2022-23 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 the Companies (Cost Records and Audit) Rules, 2014, the Company has maintained cost accounts and records.

Secretarial Auditor:

The Board of Directors had re-appointed M/s. Jayesh Parmar & Associates, Company Secretary, as Secretarial Auditor of the Company for the FY 2022-23.

Internal Auditor:

The Board of Directors re-appointed M/s Arvind Rattan & Co., LLP, Chartered Accountants, as Internal Auditors for the FY 2022-23, to conduct the Internal Audit of the Company.

13. 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.

14. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

During the year, the related party transactions with 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 are enclosed to this report as **Annexure-1**.

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

No material changes and commitments affecting the financial position of the Company had occurred in the interval between the end of the financial year and the date of this report.

16. CORPORATE SOCIAL RESPONSIBILITY (CSR):

Every company having Net Worth of ₹500 crore or more or Turnover of ₹1000 crore or more or 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 three immediately preceding FY in pursuance of its Corporate Social Responsibility (CSR) Policy.

Since, the net profit of the Company for the financial year ended March 31, 2022 was ₹5.87 Crore which exceeds the above mentioned threshold limit, therefore, the provisions of CSR under Section 135 of the Companies Act, 2013 was applicable on the Company for the FY 2022-23.

In terms of the provisions of sub-section (9) of section 135 of the Companies Act, 2013, where the amount to be spent by a company does not exceed Rs.50 lakhs, the requirement for constitution of the CSR Committee shall not be applicable on the Company. During the period under review, the CSR budget of the Company was Rs.6.90 Lakhs. Therefore, the requirement for constitution of CSR Committee pursuant to Section 135 of the Companies Act, 2013 was not applicable to the Company.

During the year, your Company has provided Medical and other necessary equipment's/ accessories of Rs.6.94 Lakhs (including GST) to Primary Health Centers in Remote Areas in Karnataka i.e. Aremallapur and Tumminakatti, for the benefits of local public under its CSR obligations. The Annual report on CSR activities required under the Companies (Corporate Social Responsibility Policy) Rules, 2014 is set out as Annexure-2 forming part of this report.

17. 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 2022-23.

18. RISK MANAGEMENT:

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

19. 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.

IrconDHHL 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.

20. CHANGE IN THE NATURE OF BUSINESS:

There is no change in the nature of business of the Company during the financial year 2022-23.

21. PUBLIC DEPOSITS:

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

22. 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 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.

23. **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 2022-23.

24. **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. 13.12.2019, to facilitate the financing of trade receivables of MSEs by discounting of their receivables and realisation of their payment before the due date.

25. **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 complaint, if any, under POSH Act.

26. **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. Devendra Kumar Sharma, Director

Ircon Davanagere Haveri Highway Limited (IrconDHHL)

Address: Ircon International Limited,

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

Phone No.: +917225019446

Email id: dk.sharma@ircon.org

27. RIGHT TO INFORMATION:

No application under Right to Information Act, 2005 has been received by the company during the FY 2022-23, however, RTI application transferred from DPE was duly replied during the FY 2022-23.

28. 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 International Limited, 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.

29. 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).

30. SECRETARIAL AUDIT REPORT

The "Secretarial Audit Report" 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 and is placed as **Annexure-3**.

31. **STATUTORY AUDITORS' REPORT AND C&AG COMMENTS**

The reports of the Statutory Auditors on the Financial Statements for FY 2022-23 with nil observation are attached separately as part of the Annual Report along with No review certificate from Comptroller & Auditor General of India (C&AG) for the FY 2022-23.

32. **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.

33. **MEMORANDUM OF UNDERSTANDING (MoU):**

Pursuant to the provision of Consolidated Memorandum of Understanding (MoU) Guidelines dated 10th March, 2023 of Department of Public Enterprises (DPE), Companies, that are subsidiary company of a CPSE, will sign Annual MoU with its holding company and holding company is free to take a decision regarding exemption from MoU for its subsidiary companies and process of exemption shall ordinarily be completed by 31st of March of the base year.

In line with the MoU Guidelines of DPE, IRCON vide its letters dated 07th November, 2022 and 06th February, 2023 has granted exemption to the Company from entering into MoU for the financial year 2022-23 and 2023-24 respectively.

34. **ACKNOWLEDGEMENT:**

We thank Ircon International Limited, Ministry of Road Transport & Highways, Comptroller and Auditors General of India (C&AG), Auditors and our valued client- National Highway Authority of India for their support, and look forward to their continued support in the future.

We thank our Contractors, Sub-contractors, Bankers, 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 Davanagere Haveri Highway Limited

Date: 01.08.2023
Place: New Delhi

Sd/-
Devendra Kumar Sharma
Chairman
DIN: 08556821

ANNEXURE - 1

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 2022-23

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 execution of project works of "Six Laning of Davanagere Haveri from km 260+000 to km 338+923 of NH-48(Old NH-4) in the state of Karnataka"	Date: EPC Agreement dated 04.01.2018 Duration: Completion period is 30 months from Appointed date or handing over of land by the Company to IRCON whichever is later. Further, extended up to 31.10.2024.	Consideration: Rs.916.93 Crore plus GST @12%.	August 10, 2021, February 20,2018 & November 9, 2017	NIL (As on Date)
2.	**Lease Agreement** (To take on lease the Office Premises of IRCON)	Estimated duration: 2 years, 7 months and 15 days (15.05.2021 to 31.03.2023)	Lease Agreement executed on 9th August 2018 and has been renewed w.e.f. 15.05.2021 till 31.03.2023 *₹21236/- p.m plus GST.*	June 15, 2021	NIL (As on Date)

For and on behalf of Board of Directors of Ircon Davanagere Haveri Highway Limited

Sd/-

Devendra Kumar Sharma
Chairman
DIN: 08556821

Date: 01.08.2023
Place: New Delhi

ANNEXURE - 2

Annual Report on CSR & Sustainability

1. **Brief outline on CSR Policy of the Company.**

Corporate Social Responsibility (CSR) is a company's commitment to address social, ethical and environmental concerns in which it operates and contribute to develop a sustainable society through sustainability initiatives by conducting business in a manner that is beneficial to both, business and society.

Ircon Davanagere Haveri Highway Limited (IrconDHHL) is committed to undertake CSR activities in accordance with provision of Section 135 of Companies Act, 2013 ("the Act") and Companies (Corporate Social Responsibility Policy) Rules, 2014 ("CSR Rules"), as amended time to time and DPE Guidelines, 2014 (hereinafter collectively referred to as "CSR laws"), with the former taking precedence over the later in case of any conflict.

The Company shall allocate the budget for CSR activities. The minimum budgeted amount for a financial year shall be 2% of the average net profit (as defined under CSR Rules) of three immediate preceding financial years. The Company may allocate more fund for the CSR activities in any financial year than the amount prescribed under the Act.

The Company shall undertake CSR activities as per Schedule VII of the Act through following three modes of implementation:

(a) Implementation by the Company itself;

(b) Implementation through eligible implementing agencies as prescribed in CSR Rules;

(c) Implementation in collaboration with one or more companies as prescribed in CSR Rules.

If any amount spent in excess of requirement as per sub-section (5) of section 135, such excess amount may be set off against the requirement to spend under sub-section (5) of section 135 upto immediate succeeding three financial years subject to the conditions that:

i) the excess amount available for set off shall not include the surplus arising out of the CSR activities, if any.

ii) the Board shall pass a resolution to that effect.

2. **Composition of CSR Committee:** As Company is not required to constitute a CSR Committee as the CSR expenditure does not exceeding Rs.50 Lakhs.

3. **Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.:** N.A.

4. Provide the execute summary along with web-link(s) of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 if applicable.:

Not applicable for this financial year. Further, none of the Completed CSR activities taken up during FY 2022-23 were Rs.1 crore or above for which impact assessment is required.

5. (a) Average net profit of the company as per sub-section (5) of section 135: **Rs.345.42 Lakhs.**

(b) Two percent of average net profit of the company asper section 135(5): **Rs.6.90 Lakhs**

(c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: **Nil**

(d) Amount required to be set off for the financial year, if any: Nil

(e) Total CSR obligation for the financial year [(b)+(c)-(d)]: **Rs.6.90 Lakhs**

6. (in Lakhs)

(a) Amount spent on CSR Projects (both Ongoing Projects and other than Ongoing Projects). **Details attached as Annexure – 1**	**6.94**
(b) Amount spent in Administrative Overheads :	**Nil**
(c) Amount spent on Impact Assessment, if applicable. :	**Nil**
(d) Total amount spent for the Financial Year [(a)+(b)+(c)]:	**6.94**

(e) CSR amount spent or unspent for the financial year:

(in Lakhs)

Total Amount Spent for the Financial Year (in Rs.)	**Amount Unspent (in Rs.)**				
	Total Amount transferred to Unspent CSR Account as per sub-section (6) of section 135.		**Amount transerred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135.**		
	Amount.	**Date of transfer.**	**Name of the Fund**	**Amount.**	**Date of transfer.**
6.94	NIL	NIL	NIL	NIL	NIL

(f) Excess amount for set off, if any

Sl. No.	**Particular**	**Amount (Rs. in Lakhs)**
(i)	Two percent of average net profit of the company as per section 135(5)	6.90
(ii)	Total amount spent for the Financial Year	6.94
(iii)	Excess amount spent for the financial year [(ii)-(i)]	0.04
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	0.00
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	0.04

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:

1 Sl. No	2 Preceding Financial Year(s)	3 Amount transferred to Unspent CSR Account under sub-section (6) of section 135 (in Rs.)	4 Balance Amount in Unspent CSR Account under sub-section (6) of section 135 (in Rs.)	5 Amount Spent in the Financial Year (in Rs.)	6 Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any		7 Amount remaining to be spent in succeeding Financial Years (in Rs.)	8 Deficiency, if any
					Amount (in Rs.)	Date of Transfer		
1	2019-20	Nil						
2	2020-21							
3	2021-22							
		Nil						

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Yes ○ No √

If yes, enter the number of Capital assets created/acquired:- **No. of assets has created.**

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year: **N.A.**

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5).: **Not Applicable**

For and on behalf of Board of Directors
of Ircon Davanagere Haveri Highway Limited

Date:
Place: New Delhi

Sd/-
Devendra Kumar Sharma
Chairman
DIN: 08556821

ANNEXURE TO THE DIRECTORS' REPORT

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANICAL YEAR ENDED 31ST MARCH, 2023

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

To
The Members,
M/s. **IRCON DAVANAGERE HAVERI HIGHWAY LIMITED**
Regd. Office: Plot No. C-4, District Centre, Saket
New Delhi-110017

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **IRCON DAVANAGERE HAVERI HIGHWAY LIMITED having CIN: U45500DL2017GOI317401** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's Books, Papers, Minutes 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, we hereby report that in our opinion, the Company has, during the financial year ended **31st March, 2023**, 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:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on **31st March, 2023** according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the Rules made there under;
(ii) Secretarial Standards issued by The Institute of Company Secretaries of India: ***Applicability of SS-1 and SS-2***;
(iii) Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment, External Commercial Borrowings; wherever applicable, if any

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

We report that:

The Board of Directors of the Company is duly constituted with proper balance of Non-Executive Directors. The changes in the composition of the Board of Directors that took place during the financial year 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 and/or on shorter notice with the consent of Directors, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views, if any, were captured and recorded as part of the minutes.

We further report that compliance of applicable financial laws including Direct and Indirect Tax laws by the Company has not been reviewed in this Audit since the same has been subject to review by the Statutory Auditors and other designated professionals.

We further report that 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.

For **Jayesh Parmar & Associates**
Company Secretaries

Jayesh Parmar
(Proprietor)
ACS No.:27055
C.P No.:15007

Place: New Delhi
Date: May 05, 2023
UDIN: A027055E000257661

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

Annexure A

To
The Members
M/s. **IRCON DAVANAGERE HAVERI HIGHWAY LIMITED**

Our 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. Our responsibility is to express as opinion on these secretarial records based on our audit.

2. We have followed the audit practices and process 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. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

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

4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

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

6. 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 **Jayesh Parmar & Associates**

(Proprietor)
ACS No.:27055
C.P No.:15007

Place: New Delhi
Date: May 05, 2023
UDIN: A027055E000257661

Shareholding Pattern as on 31st March, 2023

Name of the Company: Ircon Davanagere Haveri Highway Limited

Financial Year: 1st April, 2022 to 31st March, 2023

The Shareholding pattern of IrconDHHL as on the date of the closure of the financial year 2022-23.

Name of Shareholders	Number of Equity Shares held (of Rs.10 each)	% of holding
Ircon International Limited (Holding Company)	172,999,200	99.99
Masood Ahmad*	200	Negligible
Devendra Kumar Sharma*	100	Negligible
Surender singh*	100	Negligible
Ritu Arora*	100	Negligible
Parag Verma*	100	Negligible
Subhash Chand*	100	Negligible
Mugunthan Boju Gowda*	100	Negligible
Total	**173,000,000**	**100%**

*Nominee Shareholders holding shares for and on behalf of Ircon International Limited

G A C S & Associates
Chartered Accountants

124, SF, Defence Enclave,
Vikas Marg,
New Delhi 110092
Mobile: 9313006697
Phone: 8368750617
Email: shashifca@gmail.com

INDEPENDENT AUDITOR'S REPORT

To the Members of
IRCON DAVANAGERE HAVERI HIGHWAY LIMITED,
C – 4, District Centre,
Saket, New Delhi (IN) – 110 017

Report on the Audit of the Standalone Financial Statement

We have audited the accompanying Standalone Financial Statements of IRCON DAVANAGERE HAVERI HIGHWAY LIMITED ("the Company") which comprises the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss, Statement of Changes in Equity and Statement of Cash Flows for the period then ended and Notes to the Financial Statements including a summary of significant accounting policies and other explanatory information (herein after referred to as "Standalone Financial Statements".

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone 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, and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, the profit and total comprehensive income, changes in equity and its cash flows for the period ended on the date.

Basis for Opinion

We conducted our audit of the Standalone 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 Standalone 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 made there under, 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.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements of the current period. These

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Chartered Accountants

matters were addressed in the context of our audit of the Standalone 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 the matter(s) described below to be the key audit matters to be communicated in our report.

Key Audit Matter	How our audit addressed the matter
<u>Revenue Recognition in terms of Ind AS 115 "Revenue from Contracts with Customers"</u> The Company recognizes revenue for a performance obligation satisfied over time after estimating its progress towards complete satisfaction of the performance obligation. The recognition of revenue requires assessments and judgments to be made on changes in work scope (de-scoping, re-scoping), claims (compensation, rebates etc.) and other payments to the extent performance obligation is satisfied. The company measures the performance obligation by applying input method. During order fulfillment, contractual obligations may need to be reassessed. In addition, change orders or cancelations have to be considered. As a result, total estimated project costs may exceed total contract revenues and therefore require immediate recognition of the expected loss. Ind AS 115 requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers. Further, the explanation why we consider this as a Key Audit Matter is as follows: The application of the revenue accounting standard involves certain key judgements relating to identification of distinct performance obligations, determination of transaction price of the identified performance obligations, the appropriateness of the basis used to measure revenue recognized at a point in time or over time. Additionally, revenue accounting standard contains disclosures	Our audit procedures included considering the appropriateness of the Company's revenue recognition accounting policies and assessing compliance with the policies in terms of the applicable accounting standards. We performed following substantive procedures: • Read, analyzed and identified the distinct performance obligations in the contract. • Compared the performance obligations with that identified and recorded by the Company. • Checked whether the performance obligation is being satisfied over the period of time or at a point in time. • Performed analytical procedures for reasonableness of revenues disclosed.

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which involves collation of information in respect of disaggregated revenue and periods over which the remaining performance obligations will be satisfied subsequent to the balance sheet date. For details refer Note 23 to the Standalone Ind AS Financial Statements.	

Other Matter

The financial statements of IRCON DAVANAGERE HAVERI HIGHWAY LIMITED for the year ended March 31, 2022 were audited by another auditor who expressed an unmodified opinion on those statements.

Information Other than the Standalone 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 standalone financial statements and our auditor's report thereon. Our opinion on the standalone 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 standalone 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 Standalone 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 standalone 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 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.

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In preparing the 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 Standalone 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 Standalone 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

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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 Standalone 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 CentralGovernment 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 Standalone financial statements comply with the Indian Accounting Standards 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

G A C S & ASSOCIATES FRN: 005193N New Delhi Chartered Accountants 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, subject to the issue of levy of penalty of Rs 7.06 crore by NHAI during financial year 2019-20 on account of recovery of damages in conformity with the Agreement clause 12.4.2 which is yet to be settled. Company has withheld similar amount of IRCON International Ltd, being the EPC Contractor. 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 (a) 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.

vi. The Management has represented, that, the Company has used SAP accounting software for maintain its books of accounts which has a feature of recording audit trail (edit log) facility and the same has been operated through out the year for all transactions recorded in the software and the audit trail

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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.	Company is using SAP system to process all the accounting transactions. As per the information and explanation provided to us no accounting transactions have been processed outside the IT System except income billing for which no financial implication were observed.
2.	Whether there is 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? 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; Company is having 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 period from 1st April 2021 to 31st March 2023.

For G A C S & ASSOCIATES
CHARTERED ACCOUNTANTS
FRN: 005193N

(CA. SHASHI GUPTA)
PARTNER
M. No. : 084110
UDIN : 23084110BGYQBV3142
Place : New Delhi
Date : May 12, 2023

G A C S & ASSOCIATES
FRN : 005193N
New Delhi
Chartered Accountants

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' sectionof our report to the Members of Ircon Davanagere Haveri Highway 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. **In respect of Company's Fixed Assets:**

(a) The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The company is not having any intangible assets; hence this clause is not applicable.

(c) According to the information and explanations given to us, the Fixed Assets have been physically verified by the management in a phased manner at reasonable intervals, and no material discrepancies were noticed on such verification. Further, 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

(d) The company does not own any immovable properties during the period of audit.

(e) The Company has not revalued its Property, Plant and Equipment (including right of use of assets) or intangible asset of both during the financial year;

(f) According to information and explanations given to us, no proceedings have been initiated or pending against company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder during the year.

ii. **In respect of Inventories:**

The Company does not have any inventory and has no working capital limits in excess of Rs 5 Crores in aggregate at any points of time during the period, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3(ii) of the Order is not applicable.

iii. According to information and explanations given to us by the management and records produced before us, the Company has not made investments in, provided any guarantee or security, granted any loan or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships, and any other parties covered in the register required under section 189 of the Companies Act, 2013, during the period. Hence reporting under Paragraph 3(iii) of the order is not applicable to the Company.

iv. In our opinion and according to information and explanations given to us by the management and records produced before us, the Company has not granted loans or provided any guarantees or given any security or made any investment to which the provisions of section 185 and 186 of the Companies Act 2013 are attracted. Accordingly, paragraph 3(iv) of the order is not applicable to the Company.

v. In our opinion and according to information and explanations given to us by the management and records produced before us, 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 as required under 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) According to the information and explanation given to us, and as per examination of records of the Company, in our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance,

G A C S & ASSOCIATES * Chartered Accountants * FRN 005193N New Delhi

Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues applicable with the appropriate authorities.

(b) According to the information and explanation given to us, and as per examination of records of the Company, no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, dutyof Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2023 for a period of more than six months from the date they became payable.

(c) 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 Custom, duty of Excise, Value Added Tax, Cess, which have not been deposited as on March 31, 2023 on account of any disputes.

viii. According to the information and explanation given to us, and as per examination of records of the Company, in our opinion, there were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the period in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

ix. <u>In respect of loans and borrowings taken by the Company</u>:

(a) Based on our review of accounts and as per information provided, the Company has not defaulted in repayment 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 government or any government authority.

(c) According to the information and explanation given to us, the Company has applied term loan for the purpose for which loans were obtained.

(d) According to the information and explanation given to us, funds raised on short- term basis, have not been used during the period for long-term purposes by the Company.

(e) According to the information and explanation given to us, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

(f) According to the information and explanation given to us, the company has not raised loans during the year on the pledge of securities held in subsidiaries, Joint Ventures and associate companies hence reporting on 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) and 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 material fraud on the Company has been noticed or reported during the period.

(b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-

G A C S & ASSOCIATES * Chartered Accountants * FRN : 005193N New Delhi

4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the period and upto the date of this report.

(c) No whistle blower complaints received by the Company during the period (and upto the date of this report), while determining the nature, timing and extent of our audit procedures.

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

xiii. According to the information and explanation given to us, and based on our examination of records of the Company, 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 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 period under audit, issued to the Company during the period and till date, in determining the nature, timing and extent of our audit procedures.

xv. According to the information and explanation given to us, and based on our examination of records of the Company, during the period the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors and 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), (b) and (c) of the Order is not applicable.

(b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi) (d) of the Order is not applicable.

xvii. The Company has not incurred cash losses during the period covered by our audit.

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

xix. On the basis of the financial ratios, ageing and expected dates of realization 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

G A C S & ASSOCIATES
FRN : 005103N
New Delhi
Chartered Accountants

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 period.

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

xxi. The Company does not have investment in subsidiaries, associates or joint ventures and therefore, company has not prepared consolidated financial statements. Accordingly reporting under clause 3(xxi) of the order is not applicable.

For G A C S & ASSOCIATES
CHARTERED ACCOUNTANTS
FRN: 005193N

(CA. SHASHI GUPTA)
PARTNER
M. No. : 084110
UDIN : 23084110BGYQBV3142
Place : New Delhi
Date : May 12, 2023

Annexure B" to the Independent Auditors' Report of even date on the Standalone Financial Statements of Ircon Davanagere Haveri Highway Limited for the period ended 31st March, 2023

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 DAVANAGERE HAVERI HIGHWAY LIMITED ("the Company") as of March 31st 2023 in conjunction with our audit of the financial statements of the company for the year ended on that date.

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

G A C S & ASSOCIATES CA FRN : 005193N New Delhi Chartered Accountants 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, 2023, "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 G A C S & ASSOCIATES
CHARTERED ACCOUNTANTS
FRN: 005193N

(CA. SHASHI GUPTA)
PARTNER
M. No. : 084110
UDIN : 23084110BGYQBV3142
Place : New Delhi
Date : May 12, 2023

G A C S & ASSOCIATES
CA
FRN : 005193N
New-Delhi
Chartered Accountants

IRCON DAVANAGERE HAVERI HIGHWAY LIMITED
CIN- U45500DL2017GOI317401
BALANCE SHEET AS AT 31st MARCH 2023

(Rs. in Lacs)

	Particulars	Note No.	As at 31st March 2023		As at 31st March 2022	
I.	**ASSETS**					
1	**Non-current assets**					
	(a) Property, Plant and equipment	3	115.98		0.38	
	(b) Financial Assets					
	Other financial assets	4	41,805.33		45,996.52	
	(c) Deferred Tax Assets (Net)	5	-			
	Total Non-Current Assets			41,921.31		45,996.90
2	**Current Assets**					
	(a) Financial Assets	6				
	(i) Trade Receivables	6.1	3,737.02		3,446.88	
	(ii) Cash and Cash Equivalents	6.2	1,433.87		509.87	
	(iii) Bank Balances other than (ii) above	6.3	6,224.00		2,646.00	
	(iiii) Other financial assets	6.4	4,811.72		4,174.71	
	(b) Current Tax Assets (Net)	7	-		199.18	
	(c) Other Current Assets	8	3,669.56		4,963.52	
	Total Current Assets			19,876.17		15,940.16
	Total Assets		61,797.48		61,937.06	
II.	**EQUITY AND LIABILITIES**					
1	**Equity**					
	(a) Equity Share Capital	9	17,300.00		17,300.00	
	(b) Other Equity	10	5,029.27		2,392.23	
	Total Equity			22,329.27		19,692.23
2	**Liabilities**					
(i)	**Non-Current Liabilities**					
	(a) Financial Liabilities	11				
	(i) Borrowings	11.1	34,729.61		36,404.65	
	(ia) Lease Liabilities		-		-	
	(ii) Other financial liabilities	11.2	30.68		12.19	
	(b) Deferred Tax Liabilities Net	5	1.75		-	
	(b) Other Non-Current Liabilities		-		-	
	Total Non-Current Liabilities			34,762.04		36,416.84
(ii)	**Current liabilities**					
	(a) Financial Liabilities	12				
	(i) Borrowings	12.1	2,512.00		1,884.00	
	(ia) Lease Liabilities		-		-	
	(ii) Trade payables	12.2				
	- Micro, Small and Medium Enterprises		46.36		36.50	
	- Others		9.04		1,730.91	
	(iii) Other Financial Liabilities	13	1,973.74		1,958.86	
	(b) Other Current Liabilities	14	20.74		70.36	
	(c) Provisions	14(A)	-		157.36	
	(d) Current Tax liability (Net)	15	144.29		-	
	Total Current Liabilities			4,706.17		5,827.90
	Total Equity and Liabilities		61,797.48		61,937.06	
III.	Summary of Significant Accounting policies	2				
IV.	Notes forming part of financial statements	1 - 41				

As per our Report of even date attached

G A C S & Associates
Chartered Accountants
FRN : 005193N

CA Shashi Gupta
Partner
M. No. 084110

Place : New Delhi
Date : 12.05.2023
UDIN- 23084110BGYQBV3142

For and on behalf of Board of Directors

Rohit Parmar
Director
DIN-08190141

Masood Ahmad
Director
DIN-09008553

Gostam Kumar Mishra
Chief Executive officer

Mahadeb Mandal
Chief Financial Officer

Pradeep Baisoya
Company Secretary

(Place- karnataka)

IRCON DAVANAGERE HAVERI HIGHWAY LIMITED
CIN- U45500DL2017GOI317401
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH 2023

(Rs. in Lacs)

S.No.	Particulars	Note No.	For the year ended 31st March 2023	For the year ended 31st March 2022
I.	**Revenue :**			
	Revenue from operations	16	1,975.25	797.76
II.	Other income	17	5,683.19	3,773.32
III.	**Total Income (I + II)**		7,658.44	4,571.08
IV.	**Expenses:**			
	Project Expenses	18	1,192.13	903.48
	Employee benefits expenses	19	76.79	63.13
	Finance costs	20	2,887.88	2,708.78
	Depreciation, amortization and impairment	21	12.40	0.24
	Other Expenses	18	18.06	58.55
	Total Expenses (IV).		4,187.26	3,734.18
V.	**Profit Before exceptional items and Tax (III - IV)**		3,471.18	836.90
VI.	Exceptional items			
VII.	Profit before tax (V + VI)		3,471.18	836.90
VIII.	Tax expenses:	3		
	(1) Current tax			
	- For the Period		832.28	243.35
	- For earlier years (net)		0.11	-
	(2) Deferred tax (net)		1.75	6.88
	Total Tax Expense		834.14	250.23
IX	**Profit for the period from continuing operation (VII - VIII)**		**2,637.04**	**586.67**
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 period (IX +X) (Comprising profit and other comprehensive income for the year, net of tax)**		**2,637.04**	**586.67**
XII	Earnings Per Equity Share:			
	(For Continuing Operation)			
	(1) Basic	22	1.52	0.35
	(2) Diluted		1.52	0.35
	Face Value Per Equity Share		10.00	10.00
XIII	Summary of Significant Accounting policies	2		
XIV	Notes forming part of financial statements	1 - 41		

As per our Report of even date attached

G A C S & Associates
Chartered Accountants
FRN : 005193N

CA Shashi Gupta
Partner
M. No. 084110

Place : New Delhi
Date : 12.05.2023
UDIN 23084110BGYBBY3142

For and on behalf of Board of Directors

Rohit Parmar
Director
DIN-08190141

Masood Ahmad
Director
DIN-09008553

Goutam Kumar Mishra
Chief Executive officer
(Place- Karnataka)

Mukesh Mandal
Chief Financial Officer

Pradeep Baisoya
Company Secretary

G.A.C.S. ASSOCIATES FRN 005193N New Delhi Chartered Accountants

Ircon Davanagere Haveri Highway Limited CIN-U45500DL2017GOI317401

IRCON DAVANAGERE HAVERI HIGHWAY LIMITED
CIN- U45500DL2017GOI317401
CASH FLOW STATEMENT FOR THE PERIOD ENDED 31st MARCH 2023

(Rs. in Lacs)

Particulars		As at 31st March 2023	As at 31st March 2022
CASH FLOW FROM OPERATING ACTIVITIES			
Net Profit before taxation		1,471.18	836.90
Adjustment for :			
Interest Income		(3,664.92)	(3,770.18)
Depreciation, amortisation and impairment		12.49	0.24
Interest Expenses and Other Finance Cost		2,887.87	2,708.79
Operating Profit before Current /Non-Current Assets and Liabilities	(1)	706.62	(224.25)
Adjustment for :			
Decrease / (Increase) in Trade Receivables		(290.13)	716.03
Decrease / (Increase) in Other Non Current Financial Assets		4,191.26	(7,428.26)
Decrease / (Increase) in Other Current Financial Assets		(652.69)	3,432.59
Decrease / (Increase) in Other Current Assets		1,293.95	(219.86)
(Decrease) / Increase in Trade Payables		(1,682.06)	(1,879.18)
(Decrease) / Increase in Other Current Financial Liabilities		14.88	506.02
(Decrease) / Increase in Other Non Current Financial Liabilities		18.49	12.19
(Decrease) / Increase in Other Current Liabilities		(206.98)	79.33
Total of Working Capital Changes	(2)	2,686.72	(4,781.14)
Cash generated from operation	(1+2)	3,393.34	(5,005.39)
Income Tax Paid(net of refund)		(488.92)	75.74
NET CASH FROM OPERATING ACTIVITIES	(A)	2,904.42	(4,929.65)
CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of Property, Plant and Equipment including CWIP		(128.01)	(0.45)
Purchase of Intangible Assets			
Interest Received		3,660.49	2,000.64
Dividend Received		-	-
Investment in Deposits		(1,578.00)	-
(Investment) / Maturity of Bank Deposits (having maturity of more than 3 months)		-	-
NET CASH FROM INVESTING ACTIVITIES	(B)	1,954.48	2,000.19
CASH FLOW FROM FINANCING ACTIVITIES			
Loan From IRCON		-	-
Loan From IRCON (Unsecured)		837.00	1,250.00
Loan From PNB		(1,884.03)	1,319.49
Equity Shares issued during the year		-	895.00
Quasi Equity From IRCON		-	1,386.00
Interest Expenses and Other Finance Cost		(2,887.87)	(2,952.23)
NET CASH FROM FINANCING ACTIVITIES	(C)	(3,934.90)	1,898.26
Effect of Exchange difference on translation of Foreign Currency Cash & Cash Equivalents	(D)	-	-
NET INCREASE/(DECREASE) IN CASH & CASH EQUIVALENT	(A+B+C+D)	924.00	(1,031.20)
Components of Cash Flow			
CASH AND CASH EQUIVALENT (OPENING)*	(E)	509.87	1,541.07
Cash Balances		-	-
Balance with Banks			
- On current accounts		509.87	1,398.07
- Flexi Deposits with original maturity of less than 3 months		-	143.00
CASH AND CASH EQUIVALENT (CLOSING) *	(F)	1,433.87	509.87
Cash Balances			
Balance with Banks			
- On current accounts		18.87	509.87
- Flexi Deposits with original maturity of less than 3 months		1,415.00	-
NET INCREASE / (DECREASE) IN CASH & CASH EQUIVALENT	(F - E)	924.00	(1,031.20)

* Earmarked funds

Reconciliation of liabilities arising from financing activities as on 31st March 2023

(Rs. in Lacs)

Particulars	Loan From IRCON	Loan From PNB	Interest on Ircon Loan	Interest on PNB Loan
Balance as at 1st April,2022	3,876	34,412.64		
Cash flows:				
-Repayments		(1,884.03)	(367.76)	(2,511.17)
-Proceeds	837.00		367.76	2,511.17
Balance at 31st March 2023	4,713.00	32,528.61	-	-

G A C S & ASSOCIATES
FRN : 035193N
New Delhi
Chartered Accountants

Davanagere Haveri Highway Limited
U45500DL2017GOI317401

IRCON DAVANAGERE HAVERI HIGHWAY LIMITED
CIN- U45500DL2017GOI317401
CASH FLOW STATEMENT FOR THE PERIOD ENDED 31st MARCH 2023

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

(Rs. in Lacs)

Particulars	Loan From IRCON	Loan From PNB	Interest on Ircon Loan	Interest on PNB Loan
Balance as at 1st April,2021	2,646	23,093.13		223.41
Cash flows:				
-Repayments		(1,884.25)	(208.95)	(2,723.30)
-Proceeds	1,230	3,203.69	208.95	2,499.89
Balance at 31st March 2022	3,876.00	24,412.04	-	-

Note: 1. Cash flows are reported using the indirect method, whereby profit / (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information

2. Effective April 1,2017, the company has adopted the amendment to Ind-AS 7, which requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities, to meet the disclosure requirement. The adoption of amendment did not have any material effect on the financial statements

3. Figures in brackets represent outflow of cash.
4. Figures of the previous year have been regrouped / recasted wherever necessary.

As per our Report of even date attached

G A C S & Associates
Chartered Accountants
FRN : 005195N

CA Shashi Gupta
Partner
M. No. 084110

Place : New Delhi
Date : 12/05/2023
UDIN:
23084110BGYBBV3142

12 MAY 2023

For and on behalf of Board of Directors

Rohit Parmar
Director
DIN-08190141

Mahgul Ahmed
Director
DIN-09008553

Gautam Kumar Mishra
Chief Executive officer

Abhishek Mandal
Chief Financial Officer

Pradeep Bairaya
Company Secretary

(Place-Karnataka)

IRCON DAVANAGERE HAVERI HIGHWAY LIMITED

CIN- U45500DL2017GOI317401

STATEMENT OF CHANGE IN EQUITY AS AT 31st MARCH 2023

A. Equity share capital (Rs. in Lacs)

Particulars	"Balance at the beginning of the Reporting Period"	Changes due to Prior Period Errors	Restated Balance at the beginning of the Reporting Period	Issued during the year	Shares buy back during the year	Balance at the end of Reporting Period
Balance as at March 31, 2022	16,405.00	-	16,405.00	895.00	-	17,300.00
Balance as at March 31, 2023	17,300.00	-	17,300.00	-		17,300.00

B. Other Equity (Rs. in Lacs)

Particulars	Reserve & Surplus				Total
	General Reserves	Retained Earnings	Capital Redemption Reserve	Quasi Equity	
Balance as at April 1, 2021	-	419.56	-		419.56
Changes in accounting policy or prior period errors		-			-
Restated balance at the 1st April 2021	-	419.56	-		419.56
Profit for the year		586.67			586.67
Other Comprehensive Income	-	-	-		-
Remeasurement of Defined Benefit Plans					-
Foreign Exchange translation difference					-
Total Comprehensive Income for the period	-	1,006.23	-	-	1,006.23
Received during the year				1,386.00	1,386.00
Buy Back of Equity Shares					-
Less : Payment of Fee for increase in Authorised Capital					-
Less : Payment for Buy Back of Shares					-
Less : Dividends Paid					-
Less : Dividend Distribution Tax					-
Less: Bonus Issue					-
Balance as at 31st March 2022	-	1,006.23	-	1,386.00	2,392.23
Changes in accounting policy or prior period errors					-
Restated balance at the 1st April 2022	-	1,006.23	-	1,386.00	2,392.23
Profit for the year		2,637.04			2,637.04
Other Comprehensive Income		-	-	-	-
Remeasurement of Defined Benefit Plans					-
Foreign Exchange translation difference					-
Total Comprehensive Income for the period		3,643.27	-	1,386.00	5,029.27
Received during the year	-	-	-	-	-
Buy Back of Equity Shares	-	-	-	-	-
Less : Payment of Fee for increase in Authorised Capital	-	-	-	-	-
Less : Payment for Buy Back of Shares	-	-	-	-	-
Less : Dividends Paid	-	-	-	-	-
Less : Dividend Distribution Tax	-	-	-	-	-
Less: Bonus Issue	-	-	-	-	-
Balance as at 31st March 2023	-	3,643.27	-	1,386.00	5,029.27

As per our Report of even date attached

For and on behalf of Board of Directors

G A C S & Associates
Chartered Accountants
FRN : 005193N

CA Shashi Gupta
Partner
M. No. 084110

Place : New Delhi
Date :
UDIN: 23084110BGYQBV3142

12 MAY 2023

[illegible] Parmar
Director
DIN-08[illegible]

Masood Ahmed
Director
DIN-0900[illegible]

Goutam Kumar Mishra
Chief Executive officer

[illegible] Mandal
Chief Financial Officer

Pradeep Bairwa
Company Secretary

(Place-
Karnataka

G A C S & ASSOCIATES
FRN : 005193N
New Delhi
Chartered Accountants

Ircon Davanagere Haveri Highway Limited
CIN U45500DL2017GOI317401

1. Corporate Information

Ircon Davanagere Haveri Highway Limited (IDHHL) is a wholly owned subsidiary of Ircon International Limited domiciled in India and is incorporated under the provisions of companies Act 2013 applicable in India. The company came into existence when, Ircon International Limited has been awarded the work of Six-Laning of Davanagere – Haveri from km 260+000 to km 338+923 of NH-48 (Old NH-4) in the state of Karnataka to be executed as Hybrid Annuity Project on DBOT Annuity Pattern under NHDP Phase – V in accordance with the terms and conditions in the agreement with National Highway Authority of India (NHAI) dated 19-06-2017. In pursuant to the provisions of 'Request for Proposal', the selected bidder 'Ircon International Limited' has formed a Special Purpose Vehicle (SPV) named Ircon Davanagere Haveri Highway Limited (IDHHL) as wholly owned subsidiary and incorporated under Companies Act, 2013 on 11th May 2017. Accordingly, SPV has signed the Concession Agreement with NHAI on 19th June 2017. In terms of the said agreement, IDHHL has an obligation to complete construction of the project of Six laning of Davanagere Haveri section and to keep the project assets in proper working condition including all projects assets whose lives have expired. Total Project cost is Rs 1177 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 (IDHHL) in 5 equal instalments 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 instalments 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 IDHHL 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.

NHAI vide its letter dated 19-07-2021 has de-scoped the work on main carriageway of 6.880 Kms, service road for a length of 49.848 Kms and project facilities (14 Nos. of Bus bays and Bus Shelters,2 Nos. of Truck Lay Byes and 1 Rest Area) . Accordingly, company has received Provisional Completion certificate with effect from May 28, 2021.However, NHAI vide its letter dated 16.11.2022 has Re-scoped the balance work which was De-scoped earlier.

The registered office of the company located at C-4, District Centre, Saket, and New Delhi - 110017.

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

The standalone financial statements are approved for issue by the company's Board of Directors in their meeting held on 12.05.2023.

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

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Ircon Davanagere Haveri Highway Limited CIN: U45500DL2017GOI317401

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 aliability 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.

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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 and leasehold land acquired on perpetual lease is provided on straight line basis over the estimated useful lives of the assets as specified in schedule II of the Companies act, 2013

However, in case of certain class of assets, the Company uses different useful life than those prescribed in Schedule II of the Companies Act, 2013. The useful life has been assessed based on technical evaluation, taking into account the nature of those classes of assets, the estimated usage of the asset on the basis of the management's best estimation of getting economic benefits from the asset. The estimated useful life as per the technical evaluation viz-a-viz Schedule II of the Companies Act, 2013 has been disclosed in the notes to accounts.

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. Leasehold land acquired on perpetual lease is not amortized.

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 Capital work in progress

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Capital work-in-progress represents expenditure incurred in respect of capital projects and are carried at cost less accumulated impairment loss, if any.

2.2.4 Investment properties

Recognition and initial measurement

Investment Property is recognized when it is probable that future economic benefits associated with the property will flow to the company and the cost of property can be measured reliably. Investment property comprises completed property, property under construction and property held under a lease that is held to earn rentals or for capital appreciation or both, rather than for sale in the ordinary course of business or for use in production or administrative functions. Investment properties are measured initially at cost, including transaction costs.

Cost is the amount of cash or cash equivalents paid or the fair value of other consideration given to acquire an asset at the time of its acquisition or construction or, where applicable, the amount attributed to that asset when initially recognized in accordance with the specific requirements of other Ind AS.

Subsequent measurement and depreciation

Investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.
Subsequent cost is added if recognition criteria is met. The Company depreciates building component of investment property on straight line basis over 60 years from the date of original purchase/ completion of construction. Freehold land and property under construction is not depreciated.

Leasehold land acquired on perpetual lease is not amortized.

The residual values, useful lives and methods of depreciation of investment property are reviewed at each financial year end and adjusted prospectively, if appropriate.

Though the Company measures investment property using cost-based measurement, the fair value of investment property is disclosed in the notes. Fair value determined based on an annual evaluation performed by an accredited external independent valuer applying valuation model acceptable internationally.

Derecognition

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds if any and the carrying amount of the asset is recognised in statement of profit or loss in the period of derecognition.

2.2.5 Intangible assets

Recognition and initial measurement

Intangible assets are recognized when it is probable that the future economic benefits that are attributable to the asset will flow to the Company and cost of the asset can be measured reliably. Intangible assets acquired separately are measured on initial recognition at cost. The cost comprises purchase price, borrowing cost if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Internally generated intangibles, excluding capitalized development costs, are not capitalized and the related expenditure is reflected in the statement of profit or loss in the period in which the expenditure is incurred. Intangible assets not ready for the intended use on the date of the Balance Sheet are disclosed as "Intangible assets underdevelopment"

Subsequent measurement and amortization

Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Software cost up to Rs. 1 Lakhs in each case is fully amortized in the period of purchase, by keeping Rs. 1 as token value for identification.

The cost of capitalized software is amortized over a period 36 months from the date of its acquisition. Amortization on additions to/deductions from Intangible Assets during the period is charged on pro-rata basis from/up to the date on which the asset is available for use/disposed
Amortization methods, useful lives and residual values are reviewed at each reporting period and adjusted prospectively, if appropriate.

Derecognition

An intangible asset shall be derecognized on disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds if any and the carrying amount of the asset and are recognized in the statement of profit or loss when the asset is de-recognized.

2.2.6 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.

2.2.7 Inventories

a) Inventories (including scrap) are valued at the lower of cost and net realisable value. Cost includes cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on First in First out (FIFO) basis. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

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b) Construction work-in-progress is valued at cost till such time the outcome of the job cannot be ascertained reliably and at lower of cost or realizable value thereafter.

c) The initial contract expenses on new projects for mobilization are recognized as construction work-in-progress in the year of incidence, and pro rata charged to statement of profit and loss of the project over the period at the same percentage as the stage of completion of the contract as at the end of reporting period. Site mobilization expenditure to the extent not written off valued at cost.

d) In Cost Plus contracts, where the cost of all materials, spares and stores not reimbursable as per the terms of the contract is shown as inventory valued as per (a) above.

e) Loose tools are expensed in the period of purchase.

2.2.8 Revenue recognition

Service concession arrangement

a) **Financial Assets Under Service concession Arrangements (Appendix C to Ind AS 115 – Revenue from Contracts with Customers)**

The Company recognise a financial asset to the extent that it has an unconditional contractual right to receive cash or another financial asset from or at the direction of the grantor ("NHAI") for the construction services and Operation & Maintenance services).

Such financial assets are initially measured at fair value i.e. present value and subsequently at amortized cost using the Effective Interest Rate (EIR) method. Under this method, financial asset will be increased for the financing element and reduced as and when money is received from grantor

Ind AS 115 – Revenue from Contracts with Customers)

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 partiesi.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 recognized 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 overtime, 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 recognized in the period in which 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.

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 recognized 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). Refer to accounting policies of financial assets in section (XX) Financial instruments – initial recognition and subsequent measurement.

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 recognized when the payment is made, or the payment is due (whichever is earlier). Contract liabilities are recognized as revenue when the Company performs under the contract.

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.

2.2.9 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 capitalized 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.

2.2.10 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.

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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.

2.2.11 Foreign currencies

- Functional and presentation currency

  Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The financial statements are presented in Indian Rupees which is also the functional and presentation currency of the Company.

- Transactions and balances

  Foreign currency transactions are recorded in the functional currency, by applying the exchange rate between the functional currency and the foreign currency at the date of the transaction.

  Foreign currency monetary items outstanding at the reporting date are converted to functional currency using the closing rate (Closing selling rates for liabilities and closing buying rate for assets). Non-monetary items denominated in a foreign currency which are carried at historical cost are reported using the exchange rate at the date of the transactions.

  Exchange differences arising on settlement of monetary items, or restatement as at reporting date, at rates different from those at which they were initially recorded, are recognized in the statement of profit and loss in the period in which they arise. These exchange differences are presented in the statement of profit and loss on net basis.

2.2.12 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 and Other Long term Employee Benefits

The Post employee benefits & other long term Employee Benefits are provided by Ircon International Limited, the Holding Company, as the employees are on the deputation from the Holding Company.

2.2.13 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.

2.2.14 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.

2.2.15 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.

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.

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d) Contingent assets

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

2.2.16 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.

a) 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) Right-of-use assets

The Company recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.
Leasehold land acquired on perpetual lease is not amortized.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment.

ii) 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

G.A.C.S & ASSOCIATES FRN 005193N New Delhi Chartered Accountants 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

iii) **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.

b) Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

2.2.17 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.

2.2.18 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.

2.2.19 Non – current asset held for sale

Non-current assets (or disposal groups) are classified as assets held for sale when their carrying amount is to be recovered principally through a sale transaction and a sale is considered highly probable. The sale is considered highly probable only when the asset or disposal group is available for immediate sale in its present condition, it is unlikely that the sale will be withdrawn, and sale is expected within one year from the date of the classification. Disposal groups classified as held for sale are stated at the lower of carrying amount and fair value less costs to sell. Property, plant and equipment, investment property and intangible assets are not depreciated or amortized once classified as held for sale. Assets classified as held for sale/distribution are presented separately in the balance sheet.

If the criteria stated by IND AS 105 "Non-current Assets Held for Sale" are no longer met, the disposal group ceases to be classified as held for sale. Non-current asset that ceases to be classified as held for sale are measured at the lower of (i) its carrying amount before the asset was classified as held for sale, adjusted for depreciation that would have been recognized had that asset not been classified as held for sale, and (ii) its recoverable amount at the date when the disposal group ceases to be classified as held for sale. The depreciation reversal adjustment related property, plant and equipment, investment property and intangible assets is charged to statement of profit and loss in the period when non-current assets held for sale criteria are no longer met.

2.2.20 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.

2.2.21 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.

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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. 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.

c. 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.

d. 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.

e. 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.

f. 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.

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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).

g. Revenue recognition

The Company recognizes revenue for a performance obligation satisfied over time after reasonably estimating its progress towards complete satisfaction of the performance obligation.
The recognition of revenue requires assessments and judgments to be made on changes in work scope, claims (compensation, rebates etc.) and other payments to the extent performance obligation is satisfied and they are probable and are capable of being reasonably measured. For the purpose of making estimates for claims, the company used the available contractual and historical information.

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Notes to the Financial Statements for the year ended 31st March 2023

3 Property, Plant and Equipment

(Rs. in Lacs)

Particulars	Computers	Plant and Machinary	Vehicles	Total
Gross Carrying Amount (At Cost)				
At 1 April 2021	**0.42**	-	-	**0.42**
Additions	0.45			0.45
Disposals/Adjustments	-			-
Exchange Gain/ Loss	-			-
At 31st March 2022	**0.87**	-	-	**0.87**
Additions	-	82.36	45.64	**128.00**
Disposals/Adjustments	-	-	-	-
Exchange Gain/ Loss	-	-	-	-
At 31st March 2023	**0.87**	**82.36**	**45.64**	**128.87**
Depreciation and impairment				
At 1 April 2021	**0.25**	-	-	**0.25**
Depreciation charge for the year	0.24			0.24
Impairment				
Disposals/Adjustments				
Exchange Gain/ Loss				
At 31st March 2022	**0.49**	-	-	**0.49**
Depreciation charge for the year	0.15	8.17	4.08	12.40
Impairment			-	-
Disposals/Adjustments			-	-
Exchange Gain/ Loss				
At 31st March 2023	**0.64**	**8.17**	**4.08**	**12.89**
Net book value				
At 31st March 2023	0.23	74.19	41.56	115.98
At 31st March 2022	0.38			0.38

(i) Depreciation is provided based on useful life supported by the technical evaluation considering business specific usage, the consumption pattern of the assets and the past performance of similar assets.

Estimated useful life of assets are as follows:

Class of Assets	**Useful lives as per Schedule II (Years)**	**Useful life adopted based on technical evaluation (in years) ***
Plant and Machinery	8-15	1-15
Computers	3-6	3-6
Vehicles	8-10	8-10

* **Each significant component of the asset has been considered for determination of useful life of the assets.**

4 Other Financial Assets (Non Current)

(Rs. in Lacs)

Particulars	As at 31st March 2023	As at 31st March 2022
Contract Assets Considered Good		
Financial Asset- Construction Contract	41,770.56	45,962.46
Others		
Security Deposits	34.77	34.06
Total - Other Financial Assets	**41,805.33**	**45,996.52**

Financial Assets - Construction contract is the Highway being made by IDHHL under Hybrid Annuity Model (HAM) (Refer Note 24)

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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 31st March 2023 and 31 March 2022 are :

(Rs. in Lacs)

S.No.	Particulars	For the Year ended	
		31st March 2023	31st March 2022
1	**Profit and Loss Section**		
	Current income tax :		
	Current income tax charge	832.28	243.35
	Adjustment in respect of current tax of previous year	0.11	-
	Deferred tax :		
	Relating to origination and reversal of temporary differences	1.75	6.88
	Income tax expense reported in the Profit and Loss section	**834.14**	**250.23**
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 31st March 2023 and 31 March 2022:

(Rs. in Lacs)

S.No.	Particulars	For the Year ended	
		31st March 2023	31st March 2022
1	Accounting profit before income tax	3471.20	836.90
2	Corporate tax rate as per Income tax Act, 1961	25.168%	25.168%
3	Tax on Accounting profit (3) = (1) * (2)	873.63	210.63
4	Effect of Tax Adjustments:		
(i)	Adjustments in respect of current income tax of previous years	0.11	-
(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	-	-
(vi)	Tax effect of various other items	-39.60	39.60
5	**Income tax expense reported in the Statement of Profit and Loss**	**834.14**	**250.23**
6	Effective Tax Rate	24.03%	29.90%

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

(Rs. in Lacs)

S.No.	Particulars	Balance sheet		Statement of Profit or Loss	
		31st March 2023	31st March 2022	31st March 2023	31st March 2022
1	Property, Plant & Equipment (including intangible): Difference in book depreciation and income tax depreciation	(1.75)	-	(1.75)	-
2	Provisions	-		-	
3	Items disallowed u/s 43B of Income Tax Act, 1961				
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				
7	Others	-	-	-	(6.88)
	Net deferred tax assets/(liabilities)	**(1.75)**	**-**	**(1.75)**	**(6.88)**

(d) Reflected in the balance sheet as follows:

(Rs. in Lacs)

S.No.	Particulars	31st March 2023	31st March 2022
1	Deferred tax assets	-1.75	-
2	Deferred tax liability	-	-
	Deferred Tax Asset/(Liabilities) (Net)	**-1.75**	**-**

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 2023 (Rs. in Lacs)

S.No.	Particulars	Balance As at 1st April 2022 (Net)	Recognised in statement of profit and loss	Recognised in OCI	Balance As at 31st March, 2023 (Net)
1	Property, Plant & Equipment (including intangible): Difference in book depreciation and income tax depreciation	-	-1.75	-	(1.75)
2	Provisions	-	0.00	-	-
3	Items disallowed u/s 43B of Income Tax Act, 1961	-		-	-
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	-		-	-
7	Others- Pre incorporation Expenditure	-	0.00	-	-
	Net deferred tax assets/(liabilities)	**-**	**(1.75)**	**-**	**(1.75)**

As at 31 March 2022 (Rs. in Lacs)

S.No.	Particulars	Balance As at 1st April 2021 (Net)	Recognised in statement of profit and loss	Recognised in OCI	Balance As at 31st March, 2022 (Net)
1	Property, Plant & Equipment (including intangible): Difference in book depreciation and income tax depreciation	-	0.00	-	-
2	Provisions	-		-	-
3	Items disallowed u/s 43B of Income Tax Act, 1961	-		-	-
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	-		-	-
7	Others- Pre incorporation Expenditure	6.88	-6.88	-	-
	Net deferred tax assets/(liabilities)	**6.88**	**(6.88)**	**-**	**-**

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6 Financial Assets

6.1 Trade Receivables

(Rs. in Lacs)

Particulars	As at 31st March 2023	As at 31st March 2022
Trade Receivables		
Secured Considered good		
Unsecured Considered good	3,737.02	3,446.88
Trade Receivables which have significant increase in credit risk		
Trade receivables- Credit impaired		
Impairment Allowance (Allowance for bad and doubtful debts)		
Unsecured Considered good		
Trade receivables- Credit impaired		
Total	3,737.02	3,446.88

Trade Receivable Ageing Schedule (As on 31st March 2023)

(Rs. in Lacs)

Particulars	Unbilled	Not Due	Outstanding for the year ended as at 31st March, 2023 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			754.73	624.55	221.93	1448.52	707.25	3,737.02
(ii) Undisputed Trade Receivables – which have significant increase in credit risk								
(iii) Undisputed Trade Receivables – credit impaired								
(iv) Disputed Trade Receivables considered good								
(v) Disputed Trade Receivables - which have significant increase in credit risk								
(vi) Disputed Trade Receivables – credit impaired								

Trade Receivable Ageing Schedule (As on 31st March 2022)

(Rs. in Lacs)

Particulars	Unbilled	Not Due	Outstanding for the year ended as at 31st March, 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			1003.04	0	1736.59	707.25	-	3,446.88
(ii) Undisputed Trade Receivables – which have significant increase in credit risk								
(iii) Undisputed Trade Receivables – credit impaired								
(iv) Disputed Trade Receivables considered good								
(v) Disputed Trade Receivables - which have significant increase in credit risk								
(vi) Disputed Trade Receivables – credit impaired								

6.2 Cash and Cash equivalents

(Rs. in Lacs)

Particulars	As at 31st March 2023	As at 31st March 2022
Cash in hand		-
Balances with banks:		
Earmarked Funds		
- On current accounts	18.87	509.87
- Flexi Accounts	-	-
- Deposits with original maturity of less than 3 months	1,415.00	-
Total	**1,433.87**	**509.87**

6.3 Bank Balances other than Cash and Cash equivalent

(Rs. in Lacs)

Particulars	As at 31st March 2023	As at 31st March 2022
Other Bank Balances		
- Deposits with original maturity of more than 3 months but less than 12 months*	6,224.00	2,646.00
Total	**6,224.00**	**2,646.00**

*Includes deposit of Rs 2646 lacs (As at 31st March 2022:Rs 2646 lacs) is under lien with Punjab National Bank and Rs 3578 lacs (As at 31st March 2022: Nil) are earmarked fund as per concession agreement entered with NHAI

6.4 Other Financial Assets

(Rs. in Lacs)

Particulars	As at 31st March 2023	As at 31st March 2022
a) Considered Good		
Security Deposits		
- Others	-	0.63
Interest Accrued on FDR	4.33	-
Other Recoverable	0.38	0.38
Contract Assets:		
Financial Asset- Construction Contract	2,670.17	2,403.97
Interest Recoverable on Financial Assets	2,136.84	1,769.73
Total - Other Financial Assets - Good	**4,811.72**	**4,174.71**
Grand Total - Other Financial Others	**4,811.72**	**4,174.71**

Financial Assets - Construction contract is the Highway being made by IDHHL under Hybrid Annuity Model (HAM) (Refer Note 24)

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7 Current Tax Assets/(Liability) (Net)

(Rs. in Lacs)

Particulars	As at 31st March 2023	As at 31st March 2022
Taxes Paid including TDS & Advance Tax (Net of Provision for Tax)	-	199.18
Total	**-**	**199.18**

8 Other Current Assets

(Rs. in Lacs)

Particulars	As at 31st March 2023	As at 31st March 2022
<u>**Unsecured : considered good**</u>		
a) Advances Other than Capital Advances		
Advances to Contractors against material and machinery and others	0.30	-
Advance Recoverable from:		
- Goods & Services Tax	3,581.60	4,926.10
- Service Tax input credit		
- Building cess Receivable	48.28	
Interest Accrued on Income Tax Refund	-	-
Total - Advances Other than Capital Advances	**3,630.18**	**4,926.10**
b) Others		
Prepaid Expenses	39.38	37.42
Total - Others	**39.38**	**37.42**
Grand Total	**3,669.56**	**4,963.52**

9 **Equity Share capital**

(Rs. in Lacs)

Particulars	As at 31st March 2023	As at 31st March 2022
Authorised share capital		
21,70,50,000 Equity shares of Rs 10 each	21,705.00	21,705.00
	21,705.00	21,705.00
Issued/Subscribed and Paid up Capital		
17,30,00,000 Equity shares of Rs 10 each fully paid	17,300.00	17,300.00
Total	17,300.00	17,300.00

Promoter's shareholding
As at March 31, 2023

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	
1	Ircon International Limited- Holding Company (IRCON)	17,30,00,000	100.00%	0.00%

As at March 31, 2022

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	
1	Ircon International Limited- Holding Company (IRCON)	17,30,00,000	100.00%	5.46%

Details of shareholders holding in the company

Name of the shareholder	As at 31st March 2023		As at 31st March 2022	
	No. of Share	% holding in the class	No. of Share	% holding in the class
Ircon International Limited- Holding Company (IRCON)*	17,30,00,000	100	17,30,00,000	100
Total	17,30,00,000	100	17,30,00,000	100

*Including 600 Shares held by nominees

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

Particulars	As at 31st March 2023	31 March 2022	31 March 2021	31 March 2020	As at 31 March 2019
	No. of Share	No. of Share	No. of Share	No. of Share	No. of Share
Equity shares allotted other than cash	-	-	-	-	-
Equity shares issued as bonus shares	-	-	-	-	-
Equity shares Buy Back	-	-	-	-	-
Total	-	-	-	-	-

Terms / Rights attached to Equity Shares :

(a) 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.

(b) 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.

(c) Dividend :

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

Reconciliation of the number of equity shares and share capital outstanding at the beginning and at the end of the year

(Rs. in Lacs)

Particulars	As at 31st March 2023		As at 31st March 2022	
	No of shares	Rs in Lacs	No of shares	Rs in Lacs
Issued/Subscribed and Paid up equity Capital outstanding at the beginning of the year	17,30,00,000	17,300.00	16,40,50,000	16,405.00
Add: Shares Issued during the year			89,50,000	895.00
Less: Shares Buy Back during the year	-	-	-	-
Issued/Subscribed and Paid up equity Capital outstanding at the end of the year	**17,30,00,000**	**17,300.00**	**17,30,00,000**	**17,300.00**

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10 Other Equity

(Rs. in Lacs)

Particulars	As at 31st March 2023	As at 31st March 2022
(a) Retained Earnings		
Opening Balance	1,006.23	419.56
Add: Transfer from surplus in statement of profit and loss	2,637.04	586.67
Closing Balance	**3,643.27**	**1,006.23**
(b) Quasi Equity (Loan From Ircon)		
Opening Balance	1,386.00	-
Received During the year	-	1,386.00
Closing Balance	**1,386.00**	**1,386.00**
(c) Capital Redemption Reserve		
Opening Balance		-
Add: Transfer for Buy Back of Equity Shares		-
Closing Balance		
(d) Items of other comprehensive income		
Opening Balance		
Foreign Currency Translation (net of tax)		-
Closing Balance		
Grand Total	**5,029.27**	**2,392.23**

Nature and Purpose of Other Reserves:

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

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11 Financial Liabilities (Non Current)

11.1 Borrowings

(Rs. in Lacs)

Particulars	As at 31st March 2023	As at 31st March 2022
Secured:		
Loan from Bank		
#Loan from Punjab National Bank**	30,016.61	32,528.65
Un-Secured:		
Loan from Holding Company(Ircon International Limited)*	4,713.00	3,876.00
Total	**34,729.61**	**36,404.65**

#The Company has applied term loan for the purpose for which loans were obtained

Notes :

Un-Secured Loans

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

1. Sanction :- 26.46 Crores

(i) Interest rate to be charged on loan shall be at SBI one year MCLR rate prevailing from time to time plus 0.50%.
(ii) Duration of the Loan Disbursement would be a period of 6 month from the date of signing this agreement.
(iii) Unsecured loan shall be repaid in 2.5 years starting after 12 years from COD in structured half yearly installments.
(iv) Interest to be calculated on monthly rest basis and payable in half yearly instalments.

2. Sanction :- 25.00 Crores

(i) Interest rate to be charged on the loan shall be at PNB 1-month MCLR + 0.25% (as applicable from time to time)
(ii) Duration of Loan Disbursement would be a period of 1 year from the date of signing of agreement.
(iii) Unsecured Loan shall be repaid in 2.5 years starting after 12 years from COD or repayment of full term loan of senior lender, whichever is earlier in structured half-yearly instalments.
(iv) Interest to be calculated on monthly rest basis.

**** Terms & Conditions of Loan from Punjab National Bank**

Sanction :- 502.76 Crores

(i) Interest rate to be charged on loan shall be at 1 Month MCLR +0.30%. As applicable from time to time.
(ii) Repayment period will be 10 years and 6 months (Starting w.e.f 24.04.2021 and last instalment on 24.07.2021)
(iii) Term loan shall be repaid in 42 Quarterly instalments starting from 24th April 2021.
(iv) Interest shall be paid as and when due.
(v) Term Loan to be backed by unconditional & irrevocable corporate guarantee of M/s Ircon International Limited (rated CARE AAA) upto receipt of 1st annuity from NHAI or COD plus 180 days whichever is later
(vi) The loan shall be secured by-
(a) First charge by way of hypothecation of all fixed asset/ movable assets of the company(Other than project assets; Except those acquired out of the free flow of the company in operation phase) and being informed from time to time to lender.
(b) First charge on the book debts of the project,Operating cash flow,Receivables,Commission,Revenues of whatsoever nature and wherever arising,Present and future intangibles,goodwill and uncalled capital(Present and future).
(c.) A first charge on projects bank account,including but not limited to the escrow account opened in designated bank,where all cash inflow from the project shall be deposited and proceeds shall be utilised in a manner and priority to be decided by lender and investors.
(d) Assignment of all company's rights and interest under all the agreement related to project,letter of credit(if any), and guarantee and performance bond provided by any party for any contract related to the project in favor of borrower.
(e) Substitution agreement executed by authority on behalf of lender for the facility.
(f) Assignment of all applicable insurance policies.
g) Company is not required to submit any quarterly statement as per sanctioned terms

11.2 Other Financial Liabilities

(Rs. in Lacs)

Particulars	As at 31st March 2023	As at 31st March 2022
Deposits, Retention money and Money Withheld	30.68	12.19
Total	**30.68**	**12.19**

12 Financial Liabilities (Current)

12.1 Borrowings

(Rs. in Lacs)

Particulars	As at 31st March 2023	As at 31st March 2022
Secured		
Loan from Bank		
#Current maturities of long- term debt	2,512.00	1,884.00
Total	**2,512.00**	**1,884.00**

#The Company has applied term loan for the purpose for which loans were obtained and for terms &condition refer 11.1

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12.2 Trade Payables

(Rs. in Lacs)

Particulars	As at 31st March 2023	As at 31st March 2022
Micro,Small & Medium Enterprises	46.36	26.50
Others:		
(a) Contractor & Suppliers	-	60.55
(b) Related Parties	9.04	1,670.36
Total	55.40	1,757.41

Trade payables Ageing Schedule

(Rs. in Lacs)

Particulars	Unbilled	Not Due	Outstanding for the year ended March 31, 2023 from the due date of payment				Total
			Less than 1 year	1-2 year	2-3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	46.26	-	0.10	-	-	-	46.36
Total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	8.65	0.39	-	-	9.04
Disputed dues of micro enterprises and small enterprises							
Disputed dues of creditors other than micro enterprises and small enterprises							

(Rs. in Lacs)

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	2-3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	1.92	-	24.58				26.50
Total outstanding dues of creditors other than micro enterprises and small enterprises	-	-	1,730.91				1,730.91
Disputed dues of micro enterprises and small enterprises							
Disputed dues of creditors other than micro enterprises and small enterprises							

13 Other Financial Liabilities

(Rs. in Lacs)

Particulars	As at 31st March 2023	As at 31st March 2022
Other Payables (including Staff Payable)	19.82	16.81
Money Withheld with Contractor (Holding Company)	1,953.92	1,942.05
Total	1,973.74	1,958.86

14 Other Current Liabilities

(Rs. in Lacs)

Particulars	As at 31st March 2023	As at 31st March 2022
a) Contract Liability		
Advance from clients	-	-
- Less: Deposits under protest	-	-
Advance contract receipts	-	-
b) Others		
Statutory dues	20.74	70.36
Bank Overdraft	-	-
Fair valuation adjustment	-	-
Total	20.74	70.36

Note

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

14(A) Provisions

(Rs. in Lacs)

Particulars	Amount
Provision for Onerous Contract*	
As at 01-April 2022	157.36
Current	-
Non Current	-
Provision made during the year	0
Less: Utilised during the year	-
Less: Reversed During the year*	-157.36
(Exchange Gain)/Loss	-
Unwinding of Discount	-
As at 31st March 2023	-
Current	-
Non Current	-

*Company estimates that total contract cost does not exceed the total contract revenue hence the provision made earlier year is reversed during the current year

(Rs. in Lacs)

Particulars	Amount
Provision for Onerous Contract*	
As at 01-April 2021	
Current	-
Non Current	-
Provision made during the year	157.36
Less: Utilised during the year	-
Less: Write Back During the year	-
(Exchange Gain)/Loss	-
Unwinding of Discount	-
As at 31-March 2022	157.36
Current	157.36
Non Current	-

*The company has a contract where total contract cost exceeds the total contract revenue in such situation as per Ind AS 115 and Ind AS 37, The company has to provide these losses.The provision is based on the estimate made by the management.

15 Current Tax Liabilities (Net)

(Rs. in Lacs)

Particulars	As at 31st March 2023	As at 31st March 2022
Provision for Income tax (Net of Advance tax & TDS)	144.29	-
Total	144.29	-

-

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16 Revenue from operations

(Rs. in Lacs)

Particulars	For the period ended 31st March 2023	For the period ended 31st March 2022
Construction Contract revenue under SCA (Refer Note 24)	1,975.25	797.76
Other Revenue		
- Other Operating Revenue	-	-
Total	**1,975.25**	**797.76**

17 Other Income

(Rs. in Lacs)

Particulars	For the period ended 31st March 2023	For the period ended 31st March 2022
Interest Income :		
Interest income earned on mobilisation advances		
Bank Interest on Term Deposit	294.67	79.53
Interest on Income Tax Refund	17.71	-
Other Mitcellous Income	0.66	3.14
Interest Income On FA	5,370.15	3,690.65
Total	**5,683.19**	**3,773.32**

18 Project and Other Expenses

(Rs. in Lacs)

Particulars	Foot Note	Project Expenses		Other Expenses	
		For the period ended 31st March 2023	For the period ended 31st March 2022	For the period ended 31st March 2023	For the period ended 31st March 2022
Work Expenses		915.71	507.35	-	-
Operation and Maintenance Expenditure		235.02	122.94	-	-
Inspection, Geo Technical Investigation & Survey Exp. Etc		39.50	80.65	-	-
Repairs and Maintenance of Machinery		-	-	-	-
Rent - Non-residential		-	0.47	3.01	6.52
Power, Electricity and Water charges		59.36	14.75	-	-
Insurance		78.32	19.72	-	40.14
Travelling & conveyance		0.23	-	0.15	0.49
Printing & stationery		-	0.06	0.19	0.14
Postage, telephone & telex		-	0.13	-	-
Legal & Professional charges		0.40	0.03	3.39	7.86
Business promotion		-	-	-	-
Write-off of :					
- Bad debts		-	-	-	-
- Bad advances		-	-	-	-
- Bad assets		-	-	-	0.04
Loss on sale of Assets/Stores		-	-	-	-
Auditors remuneration	(i)	-	-	1.60	1.38
Advertisement & publicity		-	-	-	1.42
Training & Recruitment		-	-	-	-
Corporate social responsibility (Refer Note 35)		-	-	6.94	-
Miscellaneous expenses		2.95	-	0.58	0.56
		-	-		
Corporate Overheads					
Provisions Utilised		-157.36	157.36		
Total		1,192.13	903.48	18.06	58.55

(i) Payment to Statutory Auditors:

(Rs. in Lacs)

Particulars	For the period ended31st March 2023	For the period ended31st March 2022
(a) Audit Fee - current year	0.88	0.75
(b) Limited Review Fees	0.45	0.40
(c) Tax Audit Fees - current year	0.27	0.23
(d) Certification Fees		
Total	1.60	1.38

19 Employee Remuneration and Benefits

(Rs. in Lacs)

Particulars	Foot Note	For the period ended 31st March 2023			For the period ended 31st March 2022		
		Operating	Other (Administrative)	Total	Operating	Other (Administrative)	Total
Salaries, wages and bonus		65.14	-	65.14	51.99	-	51.99
Contribution to provident and other funds		4.78	-	4.78	5.04	-	5.04
Foreign service contribution		-	-	-	-	-	-
Retirement Benefits		6.87	-	6.87	6.02	-	6.02
Staff Welfare		-		-	0.08		0.08
Total		76.79	-	76.79	63.13	-	63.13

20 Finance Cost

(Rs. in Lacs)

Particulars	Foot Note	For the period ended 31st March 2023	For the period ended 31st March 2022
Interest Expense (Loan from IRCON)		367.76	208.93
Interest on Bank Loan(PNB)		2,511.17	2,498.67
Bank Guarantee & Other Charges		8.95	1.18
Total		2,887.88	2,708.78

21 Depreciation, amortization and impairment

(Rs. in Lacs)

Particulars	Foot Note	For the period ended 31st March 2023	For the period ended 31st March 2022
Property, Plant and equipment		12.49	0.24
Total		- 12.49	0.24

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32 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 year.

Diluted EPS is calculated by dividing the profit for the period attributable to the equity holders after considering the effect of dilution by weighted average number of equity shares outstanding during the period 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.) (Rs. In lakhs)

Particulars	Note	For the period ended 31st March 2023	For the period ended 31st March 2022
Profit attributable to Equity holders (Rs. in lacs)	(ii)	2637.04	586.67
Weighted average number of equity shares for Basic and Diluted EPS	(iii)	173000000	167784137
Earnings per share (Basic)		1.52	0.35
Earnings per share (Diluted)		1.52	0.35
Face value per share		10.00	10.00

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

Particulars	For the period ended 31st March 2023	For the period ended 31st March 2022
Profit for the year as per Statement of Profit and Loss	2637.04	586.67
Profit attributable to Equity holders of the company used for computing EPS	**2637.04**	**586.67**

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

Particulars	For the period ended 31st March 2023	For the period ended 31st March 2022
Opening balance of issued equity shares	173000000	164050000
Equity shares issued during the year	0	3734137
Weighted average number of equity shares for computing Basic EPS	**173000000**	**167784137**
Dilution Effect:		
Add: Weighted average numbers of potential equity shares outstanding during the year	0	
Weighted average number of equity shares for computing Diluted EPS	**173000000**	**167784137**

23 Related Party Disclosures

Disclosure as per Ind AS 24 'Related Party Disclosures' are as under:

a) List of Related Parties

(i) Holding company

Ircon International Limited

(ii) Key Management Personnel (KMP)

Name	Designation
Shri Ashok Kumar Goyal (w.e.f. 11th May 2017 to 10th October 2022)	Directors from IRCON
Shri Parag Verma (w.e.f. 29th December 2021 to 10th October 2022)	Directors from IRCON
Shri Masood Ahmad (w.e.f 2nd August 2021)	Directors from IRCON
Ms. Ritu Arora (w.e.f. 13th May 2021)	Directors from IRCON
Shri Mugunthan Boju Gowda (w.e.f. 1st April 2022 to 1st June 2022)	Directors from IRCON
Shri Rohit Parmar (w.e.f. 01st June 2022)	Directors from IRCON
Shri Devendra Kumar Sharma (w.e.f. 10th October 2022)	Directors from IRCON
Shri Nagangouda Hanumanthgouda Patil (w.e.f. 18th July 2018 to 24th August 2022)	Chief Executive Officer
Shri Goutam Kumar Mishra (w.e.f. 24th August 2022)	Chief Executive Officer
Shri Mahadeb Mandal (w.e.f. 1st July 2021)	Chief Financial Officer
Shri Pradeep Kumar (w.e.f. 12th April 2022)	Company Secretary

b) Transactions with other related parties are as follows: (Rs. in Lacs)

Nature of transaction	Name of related party	Nature of relationship	For the period ended 31st March 2023	For the period ended 31st March 2022
1) Reimbursement expenses	Ircon International Limited	Holding Company	29.62	16.26
2) Works Contract			913.71	507.35
3) Asset Acquired under works contract			128.01	-
4) Rent Expense (inclusive of GST)			3.01	2.97
5) Interest on Loan			367.76	208.93
6) Interest On Mobilization Advance- Income			-	-
7) Investment in Equity Shares			-	895.00
8) Quasi Equity			-	1,386.00
9) Loans			837.00	1,230.00

c) Outstanding balances with the related parties are as follows:

Nature of transaction	Name of related party	Nature of relationship	As at 31st March 2023	As at 31st March 2022
Balance Payable as on reporting date	Ircon International Limited	Holding Company	1,962.96	3,612.41
Unsecured Loan o/s	Ircon International Limited	Holding Company	4,713.00	3,876.00

(d) Remuneration to Key management personnel are as under: **(Rs. in Lacs)**

S.No	Particulars	During the Period upto 31-3-2023	During the Period upto 31-3-2022
1	Short term employee benefits	47.52	38.93
2	Post employment benefits	3.76	3.94
3	Sitting fee	-	-
4	Other long-term employee benefits	6.37	3.99
5	Staff Welfare	-	-
TOTAL		57.65	46.86

(e) 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. These balances are interest free except the Unsecured loan as mentioned in Note No 11.1

24 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.

Ircon Davanagere Haveri Highway Limited (IDHHL) has entered into service concession arrangement with National Highway Authority of India (NHAI) dated 19-06-2017. in terms of which NHAI (the grantor) has authorized the company for development, maintenance and management of National Highway No. 48 (Old NH-4) including the section from Km 260.00 to Km 338.923 (approx. 78.923 Km) on Davanagere - Haveri Section of National Highway No. 48 (Old NH-4) in the State of Karnataka by six-laning thereof on design, build, finance, operate and transfer basis . In terms of the said agreement IDHHL has an obligation to complete construction of the project of Six laning of Davanagere Haveri section and to keep the project assets in proper working condition including all projects assets whose lives have expired. The Project is under Annuity pattern.

The Concession period shall be 15 years commencing from the Commercial operation 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 IrconDHHL have right to terminate the agreement if they are not able to cure the event of default in accordance with such agreement.

Company has recognized financial asset of Rs.44,440.73 Lakhs under service concession agreement upto the period ended 31st March 2023 (31st March 2022 Rs 48,366.43 lakh)after taking into account the receivables due from NHAI on completion of milestone as per terms of the contract. The company has recognised revenue of Rs 1975.25 Lacs for the period ended on 31st March 2023 (for the period ended on 31st March 2022 Rs 797.76 Lakh) on construction of Road under SCA and Operation Revenue as per Ind AS - 115 related to "Revenue from Customers". The company has recognized receivable under service concession arrangement and shown under Other Financial current Assets which it will receive as per terms of the contract based on the completion of milestone, as on 31st March 2023. Company has received Provisional Completion certificate with effect from May 28, 2021.

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 Lacs)

Particulars	For the year ended 31st March, 2023	For the year ended 31st March, 2022
Contract Revenue Recognized	1,975.25	797.76
Aggregate amount of cost incurred	1,299.38	1,316.28
Amount of advance received from Client	-	-
Amount of retention by Client	-	-
Profit/(Loss) recognised during the period for exchange of construction service for a financial asset	675.87	(518.52)
Gross amount due from Client for Contract Works	3,737.02	3,446.88

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Ircon Davanagere Haveri Highway Limited CIN:U45500DL2017GOI317401

25 A. Fair Value Measurements

a) Financial instruments by category

Particulars	As at 31st March 2023			As at 31st March 2022		
	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
Financial Assets						
(i) Investments						
(ii) Loans						
(iii) Other Financial Assets			46,617.05			50,171.23
			46,617.05			**50,171.23**
Financial Liabilities						
(i) Borrowings			37,241.61			38,288.65
(ii) Other Financial Liabilities			2,004.42			1,971.05
			39,246.03			**40,259.70**

b) Fair value hierarchy

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

c)The carrying values and fair values of financial instruments by categories as at 31 March, 2023 are as follows:

(Rs. in Lacs)

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	-	-	-	-
(ii) Loans	-	-	-	-
(iii) Other Financial Assets	46,617.05	-	-	46,617.05
Total	**46,617.05**	-	-	**46,617.05**

(Rs. in Lacs)

Particulars	Carrying Value	Fair Value		
		Level 1	Level 2	Level 3
Financial Liabilities at Amortized Cost				
(i) Borrowings	37,241.61	-	-	37,241.61
(ii) Other Financial Liabilities	2,004.42	-	-	2,004.42
Total	**39,246.03**	-	-	**39,246.03**

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

(Rs. in Lacs)

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	-	-	-	-
(ii) Loans	-	-	-	-
(iii) Other Financial Assets	50,171.23	-	-	50,171.23
Total	**50,171.23**	-	-	**50,171.23**

Particulars	Carrying Value	Fair Value		
		Level 1	Level 2	Level 3
Financial Liabilities at Amortized Cost				
(i) Borrowings	38,288.65	-	-	38,288.65
(ii) Other Financial Liabilities	1,971.05	-	-	1,971.05
Total	**40,259.70**	-	-	**40,259.70**

The management assessed that cash and cash equivalents, trade receivables, trade payables and other current financial liabilities approximate their carrying amounts largely due to the short-term maturities of these. 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) Long term variable rate borrowings are evaluated by company on parameters such as interest rates, specific country risk factors and other risk factors. Based on this evaluation the fair value of such payables are not materially different from their carrying amount.

* During the financial year 2022-23 and 2021-22, 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 borrowing and other financial liabilities. The Company's principal financial assets include cash and cash equivalents and recoverable from NHAI that derive directly from its operations. 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) 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 deposits with banks. Interest rate risk on these financial instruments are very low as interest rate is fixed for the period of financial instruments.

b) Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations resulting in a financial loss to the Company. Credit risk arises principally from trade receivables, cash and cash equivalents with banks and other financial assets. The Company's exposure and credit ratings of its counterparties are continuously monitored by the management.

Trade Receivables and Other financial assets

The Company's exposure to credit risk is influenced mainly by the characteristics of the 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. The Company derives revenue primarily from the Construction of Expressway and other financial assets primarily relates to the unbilled revenue under Service Concession Arrangement (SCA). The credit risk arising from these trade receivables and unbilled revenue is limited because the counterparty is National Highways Authority of India (NHAI), an autonomous agency of Government of India, with capacity to meet the obligations and therefore, the risk of default is very negligible or Nil.

(i) **Exposure to Credit Risk**

Particulars	**31-03-2023**	**31-03-2022**
Financial Assets for which allowance is measured using Lifetime Expected Credit Losses (LECL)		
Non Current Loans		
Other Non Current Financial Assets	43,805.33	45,996.52
Current Investments	-	-
Cash and Cash Equivalents	1,433.87	509.87
Other Bank Balances	6,224.00	2,646.00
Current Loans	-	-
Other Current Financial Assets	4,811.72	4,174.71
Financial Assets for which allowance is measured using Simplified Approach		
Trade Receivables	3,737.02	3,446.88
Contract Assets	-	-

(ii) **Provision for expected credit losses**

No impairment loss has been recognised during the reporting period.

(iii) **Reconciliation of impairment loss provisions**

Particulars	**31-03-2023**	**31-03-2022**
Opening Allowances	-	-
Impairment loss recognised during the period	-	-
Amount written-off during the period	-	-
Total	-	-

No significant changes in estimation techniques or assumptions were made during the reporting period.

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-a-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 policy requires investments generally to be investment grade, with the primary objective of minimizing the potential risk of principal loss.

The table below provides details regarding the significant financial liabilities as at 31 March 2023 and 31 March 2022.

(Rs. in Lacs)

Particulars	**As on 31 March, 2023**		
	Less than 1 Year	**1-2 years**	**2 Years and above**
Borrowings	2,512.00	2,512.00	27,504.61
Trade payables	9.04	-	-
Other financial liabilities	2,004.42	-	-

(Rs. in Lacs)

Particulars	**As on 31 March, 2022**		
	Less than 1 Year	**1-2 years**	**2 Years and above**
Borrowings	1,864.00	2,512.00	30,316.65
Trade payables	1,730.91	-	-
Other financial liabilities	1,971.05	-	-

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 top five projects.

Particulars	**For the year ended**	
	31-03-2023	**31-03-2022**
Revenue from top 5 Projects	1,975.25	797.76
	1,975.25	**797.76**

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 return 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 Lacs)

Particulars	**31-Mar-23**	**31-Mar-22**
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.

Company has taken a term loan during the FY 2022-23 Rs 837 Lacs (Previous Year Rs 1230.00 Lacs) from its holding company to finance its project.

Company has taken a term loan during the FY 2022-23 Rs NIL Lacs (Previous Year Rs 3263.69 Lacs) from Punjab National Bank to finance its project.

Debt Equity Ratio :- (Rs. in Lacs)

Particulars	**31-Mar-23**	**31-Mar-22**
Borrowings (Note No. 11.1 &12.1)	37,241.61	38,288.65
Long Term Debt	**37,241.61**	**38,288.65**
Equity (Note No. 9)	17,300.00	17,300.00
Other Equity (Note No. 10)	5,029.27	2,392.23
Total Equity	**22,329.27**	**19,692.23**
Debt Equity Ratio	**1.67**	**1.94**

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Notes to the Financial statements for the year ended 31st March 2023

26 Contingent liabilities and Contingent Assets:

(I) Contingent Liabilities:

(a) Claims against the company not acknowledge as debt: Rs. NIL (Previous Year NIL).

(b) Guarantees excluding financial guarantee:Nil (Previous Year Rs.Nil Lacs)

(II) Contingent Assets: Rs. NIL (Previous Year NIL)

27 I. Commitments:

Estimated amount of contracts remaining to be executed on capital account and other is Rs Lakhs (Previous Year Rs. Nil Lacs)

b) Other Commitments: Rs. 15720.88 lakh (Previous Year 16454.53 lakh).

II. 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 Karnataka 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. 1975.25 Lakhs (P.Y Rs 797.76 lakh) are derived from a single customer i.e. NHAI which is more than 10% of the Company's total revenue.

III. Interest in other Entities: Rs. NIL (Previous Year NIL).

28 .Disclosure regarding Leases:

(a) Company as a Lessee

The Company has no leasing arrangement which are non-cancellable in nature. Accordingly, no right of use assets and lease liabilities have been recognised by the Company.

The Company has taken Office on lease with lease terms of 12 months or more however lease can be terminated on one month notice by either side therefore Company applies the 'short-term lease' recognition exemptions for such leases without any penalty

The following are the amounts recognised in Statement of profit and loss: **(Rs. in Lacs)**

Particulars	For the period ended 31st March 2023	For the period ended 31st March 2022
Expense relating to short-term leases (Refer Note 18)	3.01	2.97
(a) Company as a Lessor Company has no leasing arrangement as a lessor.		

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Notes to the Financial statements for the year ended 31st March 2023

29 Impairment of assets

In compliance of Ind AS 36 "Impairment of Assets", the Company has reviewed the assets at year-end for indication of impairment loss, if any, as per the accounting policy of the Company. As there is no indication of impairment, no impairment loss has been recognised during the year.

30 Employee Benefits

The Person working for Ircon Davanagere Haveri Highway Limited are posted on nomination/secondment basis from Ircon International Limited (Holding Company). The provision for retirement benefit of nominated employees in terms of Ind AS-19 is being made by its holding company as per accounting policy. Provident fund contribution of the employees on nomination /secondment has been regularly deposited by the holding company with its PF Trust.

31 Disclosure as per Ind AS 1 "Presentation of financial Statements"

Changes in significant accounting policies

During the year, following changes to accounting policies have been made:
(i) Changes have been made in Policy No. 2.2.2 "Property, plant and equipment" for uniformity with the Holding Company and improved disclosure
(ii) There is no impact on the financial statements due to the above changes.

32 Revenue from contract with customers as per Ind AS-115

A. Disaggregation of Revenue

Set out below is the disaggregation of the Company's revenue from contracts with customers into operating segment and type of product or services:

Type of Product or Services	For the year ended March 31, 2023						
	Revenue as per Ind AS 115			Method for measuring performance obligation		Other Revenue	Total as per Statement of Profit and Loss
	Domestic	Foreign	Total	Input Method	Output Method		
Railways	-	-	-	-	-	-	-
Highway	1,975.25	-	1,975.25	1,975.25	-	-	1,975.25
Electrical	-	-	-	-	-	-	-
Building	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-
Total	**1,975.25**	**-**	**1,975.25**	**1,975.25**	**-**	**-**	**1,975.25**

Out of the total revenue recognised under Ind AS 115 during the year, Rs 1975.25 lacs is recognised over a period of time and Rs Nil lacs recognised point in time.

Total	For the year ended March 31, 2022						
	Revenue as per Ind AS 115			Method for measuring performance obligation		Other Revenue	Total as per Statement of Profit and Loss
	Domestic	Foreign	Total	Input Method	Output Method		
Railways	-	-	-	-	-	-	-
Highway	797.76	-	797.76	797.76	-	-	797.76
Electrical	-	-	-	-	-	-	-
Building	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-
Total	797.76	-	797.76	797.76	-	-	797.76

Out of the total revenue recognised under Ind AS 115 during the year, Rs 797.76 lacs is recognised over a period of time and Rs Nil lacs recognised point in time.

B. Contract balances

(Rs. in Lacs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Trade Receivables (Note 6.3)	3,737.02	3,446.88
Contract Assets (Note 4 & 6.4)	44,440.73	48,266.43
Contract Liabilities (Note 14)	-	-

(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 month. 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.

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Movement in contract balances during the year

(Rs. in Lacs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Contract asset at the Beginning of the year	48,366.43	46,379.32
Contract asset at the end of the year	44,440.73	48,366.43
Net increase/(decrease)	-3,925.70	1,987.11

For the year 2022-23, there has been net decrease by Rs. 3925.70 lacs 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.
For the year 2021-22, there has been net increase by Rs.1987.11 lacs 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.

(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.

Movement in contract balances during the year

(Rs. in Lacs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Contract liabilities at the Beginning of the year	-	-
Contract liabilities at the end of the year	-	-
Net increase/decrease	-	-

C. Set out below is the amount of revenue recognized from:

(Rs. in Lacs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Amount included in contract liabilities at the beginning of the year	-	-
Performance obligation satisfied in previous years	-	-

D. Cost to obtain the contract

Amount recognised as asset as at 31st March, 2023 is Rs. Nil (As at 31st March, 2022: Rs. Nil)
Amount of amortisation recognised in the statement of profit and loss during the year is Rs. Nil (FY 2021-22: Rs. Nil)

E. Performance obligation

Information about the Company's performance obligations are summarised below:

The transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at 31 March are, as follows:

(Rs. in Lacs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Within one year	16,143.01	281.17
More than one year to 2 years	8,075.06	271.22
More than 2 years	36,618.20	25,862.60
Total	**60,836.27**	**26,415.59**

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

33 Information in respect of dues to Micro and Small Enterprises as required by Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act)

S.No	Particulars	As at 31st March, 2023	As at 31st March, 2022
1	The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year: Principal amount due to micro and small enterprises Interest due on above	- -	- -
2	The amount of interest paid by the buyer in terms of Section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
3	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006	-	-
4	The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
5	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED Act 2006	-	-

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34 **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 financial year ending 31st March 2023 and 31st March 2022.

(ii) The Company has not traded or invested in Crypto Currency or Virtual Currency during the financial year ending 31st March 2023 and 31st March 2022.

(iii) The Company do not have any Benami property as on 31st March 2023 and 31st March 2022, 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 in financial year ending on 31st March 2023 and 31st March 2022 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 in the financial year ending 31st March 2023 and 31st March 2022.

(vi) During the financial year 2022-23 and 2021-22, 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) During the financial year 2022-23 and 2021-22The 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 in the financial year ending 31st March 2023 and 31st March 2022.

(ix) The Company does not have any immovable properties as at 31st March 2023 and 31st March 2022.

(x) The Company has not been declared as wilful defaulter by any bank or financial institution or government or any government authority in the financial year 2022-23 and 2021-22.

(xi) Company is not required to submit statement of current assets with the bank and therefore reconciliation of the statement filed by the company with bank and the books of accounts is not applicable.

(xii) The Company does not have any transactions in financial year 2022-23 and 2021-22, where the company has not used the borrowings from banks and financial institutions for the specific purpose for which it was taken at the balance sheet date.

(xiii) The Company have not entered into any scheme(s) of arrangements during the year ending 31st March 2023 and period ending 31st March 2022.

(xiv) The Company has not entered in any transaction not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as search or survey or any other relevant provisions of the Income Tax Act, 1961.

(xv) Company has not received any grants and donations during the year ending 31st March 2023 and period ending 31st March 2022.

(xvi) The Company does not have any Capital Work- in- Progress, Investment Property, Intangible Assets and Intangible Assets under Development as at 31st March, 2023 and 31st March, 2022. During the year 2022-23 and 2021-22, the company has not revalued any of its Property plant and equipment.

(xvii) The following accounting ratios are disclosed:

Particulars	Numerator	Denominator	March 31, 2023	March 31, 2022	% change	Reason for change more than 25%
Current ratio	Current Assets	Current Liabilities	4.22	2.74	54.01%	Due to increase in current asset
Debt-equity ratio	Total Debt	Shareholder's Equity	1.67	1.94	-13.92%	NA
Debt service coverage ratio	Earnings for debt service = Net profit after taxes + Non-cash operating expenses	Debt service = Interest & Lease Payments + Principal Repayments	1.16	0.72	61.11%	Due to increase in profit in current year
Return on equity ratio	Net Profits after taxes – Preference Dividend	Average Shareholder's Equity	0.13	0.03	333.33%	Due to increase in 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	0.55	0.21	161.90%	Due to increase in revenue in current year
Trade payable turnover ratio	Net credit purchases = Gross credit purchases - purchase return	Average Trade Payables	1.05	0.14	650.00%	Due to increase in work exp and reduction in trade payable
Net capital turnover ratio	Net sales = Total sales - sales return	Working capital = Current assets – Current liabilities	0.13	0.08	62.50%	Due to increase in revenue in current year
Net profit ratio	Net Profit	Net sales = Total sales - sales return	1.34	0.74	81.08%	Due to increase in profit in current year
Return on capital employed	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	0.13	0.07	85.71%	Due to increase in earning in current year
Return on investment	Interest (Finance Income)	Investment	0.05	0.03	66.67%	Due to increase in finance income in current year

35 Disclosure as per Ind AS 21 'The Effects of Changes in Foreign Exchange Rates'

The amount of exchange differences (net) credited/debited to the statement of profit and loss is Nil.

36 Corporate Social Responsibility

As per Section 135 of the Companies Act, 2013 , the Company is required to spend, in every financial year, at least two per cent of the average net profits of the Company made during the three immediately preceding financial years in accordance with its CSR Policy. The details of CSR expenses for the year are as under:

a) Amount required to be spent on CSR Activities

(Rs. in Lacs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Gross amount required to be spent by the Company during the year	6.90	-
Deposited and claimed in earlier years, now refunded	-	-
Amount approved by the Board to be spent during the year	6.90	-

b) Amount spent on CSR Activities

(Rs. in Lacs)

Particulars	As at 31st March, 2023			As at 31st March, 2022		
	Paid in cash	Yet to be paid	Total	Paid in cash	Yet to be paid	Total
On Construction/acquisition of any asset*	-	-	-	-	-	-
On purposes other than above	6.94	-	6.94	-	-	-
Total	6.94	-	6.94	-	-	-

c) Break-up of the CSR expenses under major heads is as under:

(Rs. in Lacs)

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
Contribution to Prime Minister CARES Fund for fighting against COVID-19		
Eradicating hunger, poverty & malnutrition, promoting preventive healthcare & sanitation & making available safe drinking water	6.94	-
Promoting Education, including special education and employment enhancing vocation skills especially among children.		
Ensuring environmental sustainability		
Setting up homes and hostels for women and orphans, Setting up old age homes, day care centres and such other facilities for senior citizens.		
Sports		
Others (including Other Admin Cost)		
Total	6.94	-

d) Details related to unspent obligations:

(Rs. in Lacs)

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
Unspent amount in relation to:		
- Ongoing project (#)		-
- Other than ongoing project (##)	-	-

 # Ongoing Project:

(Rs. in Lacs)

Opening Balance		Amount required to be spent during the year	Amount spent during the year		Closing Balance	
With Company	In Separate CSR Unspent A/c		From Company's bank A/c	From Separate CSR Unspent A/c	With Company	In Separate CSR Unspent A/c
-	-				-	-

Other than ongoing project:

(Rs. in Lacs)

Opening Balance	Amount deposited in Specified Fund of Sch. VII within 6 months	Amount required to be spent during the year	Amount spent during the year*	Closing Balance
-	-			-

IRCON DAVANAGERE HAVERI HIGHWAY LIMITED
CIN- U45500DL2017GOI317401
Notes to the Financial statements for the year ended 31st March 2023

e) Details related to spent / unspent obligations:

(Rs. in Lacs)

Particulars	As at 31st March, 2023	As at 31st March, 2022
Opening Balance	-	-
Gross amount required to be spent by the Company during the year (as per (a) above)	6.90	
Amount spent by the Company during the year (as per (b) above)*	6.94	
Shortfall/(Excess) amount spent by the company	(0.04)	-

* There are no related party transaction in respect to CSR expenditure.

f) Other disclosure:

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR	NA	NA
Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the	NA	NA

37 **Disclosure pursuant to section 186 of the Companies Act 2013:**
There are no loans given, investments made and guarantee are made by the Company during the period.

38 **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.

39 **Recent pronouncement**
Recent accounting pronouncements
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 31,2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules,2023 as below:
Ind AS1- Presentation of Financial Statements - This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is an annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and the impact of the amendment is insignificant in the standalone financial statements.
Ind AS 8- Accounting Policies, Changes in Accounting Estimates and Error - This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its standalone financial statements.
Ind AS 12 - **Income Taxes** – This amendment has narrowed the scope of the initial recognition exemption so that is does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after April1, 2023. The Company has evaluated the amendment and there is no impact on its standalone financial statement.

40 **Other disclosures**
(i) 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.
(ii) Figures rounded off to the nearest rupees in Lakh.
(iii) The Company has a system of obtaining periodic confirmation of balances from banks and other parties. So far as trade/other payables and loans and advances are concerned, the balance confirmation letters were sent to the parties. Balances of some of the Trade Receivables, Other Assets, Trade and Other Payables are subject to confirmations/reconciliations and consequential adjustment, if any. Reconciliations are carried out on on-going basis. However, management does not expect to have any material financial impact of such pending confirmations / reconciliations.

41 Certain prior periods amounts have been reclassified for consistency with the current period 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

G A C S & Associates
Chartered Accountants
FRN : 005193N

CA Shashi Gupta
Partner
M. No. 084110

Place : New Delhi
Date : 12.05.2023
UDIN: 23084110BGYQBV3142

For and on behalf of Board of Directors

Rohit Parmar
Director
DIN-08190141

Masood Ahmad
Director
DIN-09008553

Goutam Kumar Mishra
Chief Executive officer

Mahadeb Mandal
Chief Financial Officer

Pradeep Baisoya
Company Secretary

(Place- Karnataka)

महानिदेशक लेखापरीक्षा का कार्यालय
रेलवे वाणिज्यक ,नई दिल्ली
C/o भारत के नियंत्रक और महालेखा परीक्षक
Office of the Director General of Audit
Railway Commercial, New Delhi
C/o Comptroller and Auditor General of India
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: DGA/RC/AA-IDHHL/78-12/2023-24 | 232 दिनांक: **14.07.2023**

सेवा में,

निदेशक,
इरकॉन दावणगेरे हावेरी हाईवे लिमिटेड,
सी-4, डिस्ट्रिक्ट सेंटर, साकेत,
नई दिल्ली -110017.

महोदय,

विषय: 31 मार्च 2023 को समाप्त वर्ष के लिए इरकॉन दावणगेरे हावेरी हाईवे लिमिटेड के वित्तीय विवरणों पर कंपनी अधिनियम 2013 की धारा 143 (6)(b) के अंतर्गत भारत के नियंत्रक एवं महालेखापरीक्षक की टिप्पणियाँ |

मैं, इरकॉन दावणगेरे हावेरी हाईवे लिमिटेड के 31 मार्च 2023 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

डॉ. निलोत्पल गोस्वामी
महानिदेशक (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 DAVANGERE HAVERI HIGHWAY LIMITED FOR THE YEAR ENDED 31 MARCH 2023

The preparation of financial statements of **Ircon Davanagere Haveri Highway Limited** for the year ended 31 March 2023 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 12 May 2023.

I, on behalf of the Comptroller and Auditor General of India, have decided not to conduct supplementary audit of the financial statements of **IRCON Davanagere Haveri Highway Limited** for the year ended 31 March 2023 under Section 143 (6)(a) of the Act.

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

Place: New Delhi
Dated: 14.07.2023

Dr. Nilotpal Goswami
Director General of Audit
Railway Commercial, New Delhi

IRCON DAVANAGERE HAVERI HIGHWAY LIMITED
('IrconDHHL')

Registered & Corporate Office:

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

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

E-mail id: ircondhhl@gmail.com