

# 5<sup>TH</sup> ANNUAL REPORT

## FY 2022-23



**IRCON VADODARA KIM EXPRESSWAY LIMITED**

(A Wholly Owned Subsidiary of Ircan International Limited)

CIN: U74999DL2018GOI334028

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IRCON VADODARA KIM EXPRESSWAY LIMITED (IrconVKEL)  
FOR THE FY 2022-23**

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## **COMPANY PROJECT**

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

## **BOARD OF DIRECTORS**

Mr. Parag Verma, Chairman  
Mr. Masood Ahmad, Director  
Mr. Rohit Parmar Director  
Ms. Ritu Arora, Director

## **KEY MANAGERIAL PERSONNEL**

Mr. Nitesh Kumar G Asati, Chief Executive Officer  
Mr. Raj Kumar, Chief Financial Officer  
Ms. Shivi Kapoor, Company Secretary upto 07.08.2023

### **STATUTORY AUDITOR**

M/s Bhasin Raghavan & Co.  
Chartered Accountant

### **INTERNAL AUDITOR**

M/s Ravi Rajan & Co.  
Chartered Accountant

### **EPC CONTRACTOR TO COMPANY**

Ircon International Limited

### **CONTACT DETAILS**

Email id: csirconvkel@gmail.com  
Tel: 26545000

### **COST AUDITOR**

M/s R.M. Bansal & Co.  
Cost Accountants

### **SECRETARIAL AUDITOR**

M/s Vasisht & Associates  
Practicing Company Secretaries

### **BANKERS TO THE COMPANY**

BANK OF BARODA

### **REGISTERED OFFICE**

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

## BOARD OF DIRECTORS



MR. PARAG VERMA  
Chairman



MR. MASOOD AHMAD  
Director



MR. ROHIT PARMAR  
Director



MS. RITU ARORA  
Director

## CHAIRMAN'S MESSAGE



*Dear Shareholders,*

It gives me immense pleasure to welcome you all on behalf of the esteemed members of the Board to the Fifth (5<sup>th</sup>) Annual General Meeting (AGM) of Ircon Vadodara Kim Expressway Limited (IrconVKEL). The Directors' Report and the Audited Financial Statements for the financial year ended 31<sup>st</sup> March, 2023, are already with you and with your kind permission, I take them as read. I would like to express my sincere gratitude for making it convenient for attending the AGM.

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

Your Company is a wholly-owned subsidiary of Ircon International Limited (IRCON), incorporated as a Special Purpose Vehicle on 16<sup>th</sup> May, 2018, to execute the project of Eight Lane Vadodara Kim Expressway from Km 323.00 to Km 355.00 (Sanpa to Padra Section of Vadodara Mumbai Expressway) (Phase – IA – Package II) in the State of Gujarat, pursuant to conditions of award of Vadodara Kim Expressway Project by NHAI. The concession period of the project comprises of construction period 730 days from the appointed date (31<sup>st</sup> January, 2019) and operation period of 15 years commencing from Commercial Operation Date (COD).

The Company has achieved Provisional COD w.e.f. 25<sup>th</sup> August, 2022 for 31.785 Kms out of 32 Kms. Work was not completed in the balance stretch of 215 m due to land acquisition issues. Meanwhile, with the support of authority, work in balance portion was started in the first week of May-2023. The Company is likely to achieve COD by end of August-2023.

### **Financial Performance**

IrconVKEL has signed the Concession Agreement with NHAI at Bid Project Cost of Rs.1,865 crore excluding operation and maintenance (O&M) cost. The Company has successfully achieved payment milestone of the project set to be achieved during construction in terms of Concession Agreement. Consequently, the Company is eligible for receipt of remaining payment of Annuity from NHAI after 180<sup>th</sup> day from the date of achievement of COD.

As on 31<sup>st</sup> March, 2023, Net Worth of your Company is Rs.28.82 crore, Total Income is Rs.27.90 crore and Profit After Tax (PAT) is Rs.21.74 crore as compared to Net Worth of your Company is Rs.23.99 crore, Total Income is Rs.39.97 crore and Profit After Tax (PAT) is Rs.60.16 crore in the previous year.

### **Compliances and Disclosures**

*Corporate Governance:* Compliances and Disclosures under the Companies Act, 2013 and rules thereunder are being fully adhered to by your Company. As per Office Memorandum dated 10<sup>th</sup> July 2014 and 11<sup>th</sup> July 2019 issued by Department of Public Enterprises, CPSEs constituted as Special Purpose Vehicle (SPV) are exempted from compliance of the DPE Guidelines on Corporate Governance for CPSEs. Hence, these are not applicable on your company.

*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 10<sup>th</sup> March, 2023 and IRCON vide its letters dated 07<sup>th</sup> November, 2022 and 06<sup>th</sup> 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 MoRTH, NHAI, Ircon International Limited, Auditors of the Company and all those who have supported and guided us during the year. I express my deep gratitude to all employees for their dedication, intellect, hard work and tireless efforts that they put in every day with a sense of purpose and pride. And last, but not least, I would like to thank my colleagues on the Board for their guidance and continuous support.

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

**For and on behalf of  
Ircon Vadodara Kim Expressway Limited**

**Sd/-  
(Parag Verma)  
Chairman  
DIN: 05272169**

**Date: 01.08.2023  
Place: New Delhi**

## DIRECTORS' REPORT

**Dear Members,**

Your Directors have immense pleasure in presenting the **5<sup>th</sup> Annual Report of Ircon Vadodara Kim Expressway Limited (IrconVKEL)** together with the Audited Financial Statements of the Company and Auditor's Report for the financial year ended 31<sup>st</sup> March, 2023.

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

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

IrconVKEL has entered into Concession Agreement with NHAI on 25<sup>th</sup> May, 2018 with a construction period of 730 days from the appointed date i.e., 31<sup>st</sup> January, 2019 and operation period of 15 years commencing from Commercial Operation Date (COD) and Scheduled Completion Date was fixed at 29<sup>th</sup> January, 2021. The bid project cost of the project is Rs.1865 crore excluding O&M cost.

The project has achieved Provisional Completion, well within approved extended time by the Authority. Provisional Completion Date i.e., PCOD has been declared w.e.f. 25<sup>th</sup> August, 2022 for the length of 31.785 Kms out of 32.000 Kms. Work was not completed in the balance stretch of 215 m due to land acquisition issues.

A Supplementary Agreement has been signed between IrconVKEL and NHAI on 14<sup>th</sup> October, 2022 and 60 days have been granted to complete the balance stretch from the date of clearance of land issues. The work is expected to be completed by Aug-2023. Annuity payments as due are being released by the NHAI.

Your Company has availed term loan of Rs.134.62 crore against the term loan facility of Rs.724.12 crore from Bank of Baroda (BOB).

### **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 31<sup>st</sup> March 2023:**
**(Rs. in crore)**

Sl. No.	Particulars	For the Financial Year Ended 31.03.2023	For the Financial Year Ended 31.03.2022
1.	Equity Share Capital	10.00	10.00
2.	Other Equity (includes Reserves and Surplus)	278.21	229.90
3.	Net Worth	288.21	239.90
4.	Borrowings (including current maturities)	724.12	589.50
5.	<b>Total Assets and Liabilities</b>	<b>1,051.70</b>	<b>933.19</b>
6.	Revenue from Operations	205.44	399.03
7.	Other Income	73.56	0.68
8.	<b>Total Income (6) + (7)</b>	<b>279.00</b>	<b>399.71</b>
9.	<b>Profit Before Tax</b>	<b>29.39</b>	<b>80.29</b>
10.	<b>Profit After Tax</b>	<b>21.74</b>	<b>60.16</b>
11.	Earnings Per Equity Share (on face value of Rs.10/- per share)		
	(i) Basic	21.74	60.16
	(ii) Diluted	21.74	60.16

**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 Rs.0.82 crore in Retained Earnings as on 31<sup>st</sup> March, 2023.

**4. SHARE CAPITAL/ DEMATERIALISATION:**

The Authorized Share Capital and the Paid-up Share Capital of the Company as on 31<sup>st</sup> March 2023 is Rs.10 crore comprising of 10,00,000 Equity Shares of Rs.10/- each. During the financial year ended 31<sup>st</sup> March, 2023, there was no change in the share capital of your Company, and Ircon International Limited (IRCON) continues to hold 100% paid-up share capital of IrconVKEL.

As on 31<sup>st</sup> March, 2023, the Promoter Company (IRCON) has invested Rs.195.74 crore as interest free loan (which is accounted as "Deemed Equity" under the head "Other Equity" in the financial statements of IrconVKEL) in addition to Rs.10 crore in equity share capital, not exceeding the total investment of Equity Share Capital of Rs.205.74 crore.

As per Rule 9A of the Companies (Prospectus and Allotment of Securities) Amendment Rules, 2019 dated 22<sup>nd</sup> January, 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 Company is having a negative Cash Flows from operating activities of Rs.140.22 crore for the financial year ended 31<sup>st</sup> March 2023.

## 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 FINANCIAL 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<sup>st</sup> March, 2023, total number of Director is Four including Chairman, nominated by IRCON. Details of Directors are as follows:

Category, Name & Designation	DIN	Appointment or Cessation (during the financial year, if any)
<b>Mr. Parag Verma, Chairman</b>	05272169	Re-designated as Chairman w.e.f. 10 <sup>th</sup> October, 2022.
<b>Mr. Masood Ahmad, Director</b>	09008553	-
<b>Mr. Rohit Parmar, Director</b>	08190141	Appointed as Additional Part-time Director on 01 <sup>st</sup> June, 2022.  Regularized at the 04 <sup>th</sup> AGM on 23 <sup>rd</sup> August, 2022.
<b>Ms. Ritu Arora, Director</b>	07752915	-

Mr. Surajit Dutta, Part-time Nominee Director of your Company, ceased to be the Director of your Company consequent to withdrawal of nomination by the IRCON w.e.f. 01<sup>st</sup> April, 2022.

IRCON (holding company) nominated Mr. B. Mugunthan and Mr. Rohit Parmar as Additional Part-time Nominee Directors of your Company w.e.f. 01<sup>st</sup> April, 2022 and 01<sup>st</sup> June, 2022 respectively, later Mr. Mugunthan ceased to be Director of the Company subsequent to withdrawn of his nomination by IRCON w.e.f. 01<sup>st</sup> June, 2022.

Mr. Ashok Kumar Goyal, Chairman (Part-time Nominee) of your Company, ceased to be the Director and Chairman of your Company consequent to withdrawal of nomination by the IRCON w.e.f. 10<sup>th</sup> October 2022.

IRCON had re-designated Mr. Parag Verma, Director (Works), IRCON, as Chairman in IrconVKEL w.e.f. 10<sup>th</sup> October 2022.

The Board placed on record its appreciation for valuable contribution, guidance and support given by Mr. Ashok Kumar Goyal, Mr. Surajit Dutta and Mr. B. Mugunthan.

In accordance with the provisions of Section 152(6) of the Companies Act, 2013, Mr. Masood Ahmad and Ms. Ritu Arora shall retire by rotation at the Annual General Meeting of your Company and being eligible to offer himself/herself for re-appointment. The Board of Directors recommends his/her re-appointment as Director and his/her brief resume is annexed to the Notice of the Annual General Meeting.

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

### **Key Managerial Personnel:**

Pursuant to Section 203 of the Companies Act, 2013, the Board of Directors of the Company has designated the Chief Executive Officer (CEO), Chief Financial Officer (CFO) and Company Secretary (CS) as the Key Managerial Personnel (KMP) of the Company. The details of KMPs as at 31<sup>st</sup> March 2023 are as follows:

<b>Key Personnel of Company</b>	<b>Date of Appointment</b>	<b>Designation</b>
Mr. Nitesh Kumar G Asati	22 <sup>nd</sup> December, 2020	Chief Executive Officer
Mr. Raj Kumar	20 <sup>th</sup> November, 2018	Chief Financial Officer
Ms. Shivi Kapoor	21 <sup>st</sup> November, 2022	Company Secretary

During the financial year 2022-23, Ms. Shivi Kapoor was appointed as the Company Secretary of the Company w.e.f. 21<sup>st</sup> November, 2022 vice Mrs. Arpita Basu Roy, who ceased as the Company Secretary of the Company w.e.f. 04<sup>th</sup> October, 2022.

### **8. BOARD MEETINGS:**

During the financial year 2022-23, the Board met Five (5) times on 17.05.2022, 04.08.2022, 03.11.2022, 07.12.2022 and 31.01.2023. The interval between two Board Meetings were within the period prescribed under the Companies Act, 2013. The attendance detail of the Board Meetings is as follows:

<b>Date of The Meeting</b>	<b>Board Strength</b>	<b>No. of Directors Present</b>
17.05.2022	5	5
04.08.2022	5	5
03.11.2022	4	4
07.12.2022	4	4
31.01.2023	4	4

The table below shows attendance of the Board members at the Board Meetings held during the financial year 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 Board Meetings entitled to attend during financial year 2022-23	No. of Board Meetings attended during financial year 2022-23	% of Attendance
	17.05.2022	04.08.2022	03.11.2022	07.12.2022	31.01.2023				
Mr. Ashok Kumar Goyal	✓	✓	-	-	-	Y	2	2	100
Mr. Parag Verma	✓	✓	✓	✓	✓	Y	5	5	100
Mr. B. Mugunthan	✓	-	-	-	-	NA	1	1	100
Mr. Masood Ahmad	✓	✓	✓	✓	✓	Y	5	5	100
Mr. Rohit Parmar	-	✓	✓	✓	✓	Y	4	4	100
Ms. Ritu Arora	✓	✓	✓	✓	✓	Y	5	5	100

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

Ministry of Corporate Affairs (MCA) vide its notification dated 05<sup>th</sup> July, 2017 exempted an unlisted public company which are wholly-owned subsidiary from the requirement of appointing Independent Directors on its Board and constitution of Audit Committee and Nomination & Remuneration Committee (NRC).

IrcovKEL, an unlisted public company and a wholly-owned subsidiary company of IRCON, therefore, is 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 Office Memorandum (OM) dated July 8-10, 2014, read with OM dated 11<sup>th</sup> July, 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 IrcovKEL.

#### **10. DIRECTORS' RESPONSIBILITY STATEMENT:**

The Board of Directors of the Company confirms:

- a) that in the preparation of the annual financial statements for the financial year ended 31<sup>st</sup> 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 31<sup>st</sup> March, 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. DIRECTOR'S OBSERVATION AND COMMENT'S FOR FINANCIAL STATEMENTS  
(EXPLANATION FOR ANY COMMENTS MADE BY AUDITORS IN THEIR REPORT:**

The Notes to Accounts forming part of the financial statements are self-explanatory and need no further explanation.

There are no qualifications or adverse remarks in the Auditors' Report which require any clarification/explanation.

**12. AUDITORS:**

**Statutory Auditor:**

M/s. Bhasin Raghavan & Co., Chartered Accountants, had been appointed as Statutory Auditors, for the financial year 2022-23 vide CAG letter No. CA. V/COY/ Central Government, IVKEL(I)/624 dated 01<sup>st</sup> September, 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 appointed M/s. R. M. Bansal & Co, Cost Accountants, as Cost Auditor of the Company for the financial year 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 Companies (Cost Records and Audit Rules), 2014, the Company has maintained cost accounts and records.

**Secretarial Auditor:**

The Board of Directors appointed M/s. Vasisht & Associates, Practising Company Secretary, as Secretarial Auditor of the Company for the financial year 2022-23 for conducting Secretarial Audit of the Company in accordance with the provision of Section 204 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

**Internal Auditor:**

The Board of Directors appointed M/s Ravi Rajan & Co. LLP, Chartered Accountants as Internal Auditors for the financial year 2022-23, for conducting 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 financial year 2022-23, 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 is enclosed to this report as **Annexure-A**.

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

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

**16. 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 financial year 2022-23.

**17. RISK MANAGEMENT:**

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

## **18. CORPORATE SOCIAL RESPONSIBILITY (CSR):**

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

Since, the net profit (PAT) of the Company for the financial year ended 31<sup>st</sup> March, 2022 was Rs.60.16 crore which exceeds the above mentioned threshold limit, therefore, the provision of Corporate Social Responsibility (CSR) under Section 135 of the Companies Act, 2013 was applicable to the Company for the financial year 2022-23.

In compliance with the provisions of Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014, the Company has constituted CSR Committee with two Directors as Member and Secretary of the Company as Secretary to the CSR Committee.

Your Company is committed to compliance with the requirement of all applicable laws, rules, regulations and ensure transparency while conducting the business in an ethical manner.

During the financial year 2022-23, against total CSR Budget of Rs.54.02 lakh an amount of Rs.54.11 lakh has been spent on CSR activities. The Annual Report on CSR activities required under the Companies (Corporate Social Responsibility Policy) Rules, 2014 is set out as **Annexure-B** forming part of this report.

## **19. PARTICULARS OF EMPLOYEES:**

As per Notification dated 05<sup>th</sup> June, 2015 issued by the Ministry of Corporate Affairs, Government Companies are exempted from complying with the provisions of Section 197 of the Companies Act, 2013 and corresponding rules under Chapter XIII.

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

## **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 financial year ended 31<sup>st</sup> March, 2023, 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 Indian Accounting Standards for properly maintaining the books of account and reporting in the financial statements. Your Company continues to ensure proper and adequate systems and procedures commensurate with its size and nature of its business.

## **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 financial year 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 Rs.500 crore and all CPSEs shall be required to get themselves on-boarded on the Trade Receivables Discounting System (TReDS) platform, set up as per the notification of the Reserve Bank of India. The Registrar of Companies (RoC) in each State shall be the competent authority to monitor the compliance of such instructions and also the Department of Public Enterprises, Government of India shall be the competent authority to monitor the compliance of such instructions by the CPSEs. In compliance with the above instruction, the Company has boarded on the TReDS platform w.e.f. 27<sup>th</sup> September, 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:**

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 Committee of IRCON deals with all the matters under POSH Act.

During the period under review, there was no incidence where 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.

## **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. Parag Verma, Chairman,  
Ircon Vadodara Kim Expressway Limited (IrconVKEL)  
Address: Ircon International Limited,  
C-4, District Centre, Saket, New Delhi- 110017  
Phone No.: +91 9560595061, Email id: [parag.verma@ircon.org](mailto:parag.verma@ircon.org)

## **27. RIGHT TO INFORMATION:**

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

## **28. PERFORMANCE EVALUATION OF BOARD MEMBERS:**

Pursuant to the notification of Ministry of Corporate Affairs dated 5<sup>th</sup> June 2015, sub-sections (2), (3) & (4) of Sec. 178 regarding the performance evaluation shall not apply to Directors of Government Company.

Being a Government Company and a wholly-owned subsidiary of Ircon International Limited, all part-time Directors of the Company 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. Hence, performance evaluation of Directors is not applicable on your company.

## **29. SECRETARIAL STANDARDS**

During the financial year 2022-23, 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” of the Company for the financial year 2022-23 from the Secretarial Auditor in Form MR-3 as required under section 204 of the Companies Act, 2013 read with rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is placed as **Annexure–C** to this Report. The Secretarial Auditors have given an unqualified report. The report is self-explanatory and does not require any further comments by the Board.

## **31. STATUTORY AUDITORS’ REPORT AND C&AG COMMENTS**

The reports of the Statutory Auditors on the Financial Statements for financial year 2022-23 with nil observation are attached separately as part of the Annual Report. Final comments of CAG which is currently awaited, therefore the same is to be updated accordingly.



**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 10<sup>th</sup> 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 31<sup>st</sup> of March of the base year.

In line with the MoU Guidelines of DPE, IRCON vide its letters dated 07<sup>th</sup> November, 2022 and 06<sup>th</sup> 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 (MORTH)/ National Highway Authority of India (NHAI), various other Government Agencies, Banks, Comptroller & Auditor General of India (CA&G) and Statutory Auditors, for their support, and look forward to their continued support in the future.

We also place on record our appreciation for the contribution made by our employees at all levels. Your Board of Directors also takes this opportunity to convey their gratitude and sincere thanks for the cooperation and assistance received from the Shareholders during the period under report. Our consistent growth was made possible by their hard work, solidarity, cooperation and support.

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

**Sd/-  
Parag Verma  
Chairman  
DIN: 05272169**

**Date: 01.08.2023  
Place: New Delhi**

**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.	<b>EPC Agreement</b> (For Appointing Ircon International Limited as EPC Contractor for development, maintenance and management of Eight lane Vadodara Kim Expressway from Km 323.00 to Km 355.00 (Sanpa to Padra Section of Vadodara Mumbai Expressway) in the State of Gujarat	730 days from the appointed date and as extended by NHAI subsequently	Agreement dated 09.11.2018 and addendums dated 10.08.2019 & 03.01.2020  The Contract has been awarded to IRCON for a consideration of Rs.1,377.73 crore inclusive GST @ 12%.	18 <sup>th</sup> July, 2018 29 <sup>th</sup> July, 2019 18 <sup>th</sup> December, 2019 Respectively	NIL
2.	<b>Lease Agreement</b> (To take on lease the Office Premises of IRCON)	Three Years (17.05.2021 to 31.03.2023)	Lease Agreement executed on 2 <sup>nd</sup> June, 2021 for rent @ Rs.21,236/- p.m. plus GST	21 <sup>st</sup> May, 2021	NIL (As on Date)

**Note:**

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

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

Date: 01.08.2023  
Place: New Delhi

Sd/-  
Parag Verma  
Chairman  
DIN: 05272169

## 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.

IronVKEL is committed to undertake Corporate Social Responsibility (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 Department of Public Enterprises (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 appoint an independent director under sub-section (4) of section 149, so as per Section 135 of Companies Act, 2013, the CSR Committee of the Company consists of 2 Directors as Member namely Mr. Masood Ahmad and Mr. Rohit Parmar.

**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.**

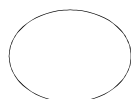
**5. (a) Average net profit of the company as per sub-section (5) of section 135: Rs.27.01 crore.**

**(b) Two percent of average net profit of the company as per section 135(5): Rs.54.02 lakh**



		Rs.)	Rs.)		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): **N.A.**

<b>Sd/-</b> <b>Mr. Parag Verma</b> <b>Chairman and Director</b> <b>DIN: 05272169</b>	<b>Sd/-</b> <b>Mr. Masood Ahmad</b> <b>Director &amp; Member CSR Committee</b> <b>DIN: 09008553</b>	<b>Sd/-</b> <b>Mr. Rohit Parmar</b> <b>Director &amp; Member</b> <b>CSR Committee</b> <b>DIN: 08190141</b>
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**Date: 01.08.2023**

**Place: New Delhi**

**FORM NO. MR-3**

**SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR 2022-23**

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

To,

The Members,

**IRCON VADODARA KIM EXPRESSWAY LIMITED**

CIN: U74999DL2018GOI334028

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

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

Based on the verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has during the audit period covering the financial year ended on March 31, 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.

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

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder; **(Not Applicable to the Company)**



Regd Office: 441, Sector-2, Faridabad-121004  
Branch Office: A-35, LGF, Defence Colony, New Delhi-110024  
Email: cs@vasishtassociates.com, Web: www.vasishtassociates.com  
Contact No : +91-9953259389, +91-7838940145

- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder; **(Not Applicable to the Company)**
- (iv) The Foreign Exchange Management Act, 1999 and the rules made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **(Not Applicable to the Company)**
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **(Not Applicable to the Company)**
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; **(Not Applicable to the Company)**
  - (c) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; **(Not Applicable to the Company)**
  - (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(Not Applicable to the Company)**
  - (e) The Securities and exchange board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **(Not Applicable to the Company)**
  - (f) The Securities and Exchange Board of India (Issue and Listing of Debt securities) Regulations, 2008; **(Not Applicable to the Company)**
  - (g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 and amendments thereof regarding the Companies Act and dealing with client; **(Not Applicable to the Company)**
  - (h) The Securities and Exchange Board of India (Delisting of Equity shares) Regulations, 2009; **(Not Applicable to the Company)**
  - (i) The Securities and Exchange Board of India (Buy back of securities) Regulations, 2018; **(Not Applicable to the Company)**
- (vi) I further report that the system and processes of the Company are in place to ensure the compliance with general laws like Labour Laws, The Indian Contract Act, The Sexual Harassment of women at workplace (Prevention, Prohibition and Redressal) Act, 2013 etc. For the purpose of examining adequacy of compliance with other applicable laws including industry / sector specific laws, under both Central and State legislation, reliance has been placed on the representation made by the Company and its officers for systems and mechanism formed by the Company for the compliance under these laws.



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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to Board and General meeting;
- (ii) Guidelines on Corporate Governance for Central Public Sector Enterprises (CPSEs) issued by the Department of Public Enterprises vide their OM No. 18(8)/2005-GM dated 14th May, 2010.

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

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

**I further report that:**

- The Board of Directors of the Company has been duly constituted with Non-Executive Directors (including Women Director) as nominated by its holding Company("Ircan International Limited"),as per the Articles of Association of the Company. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, except for meetings of the Board of Directors, where consent for shorter notice was obtained. System exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- All decisions at the Board Meetings, as represented by the management, were taken unanimously as recorded in the minutes of the meeting of the Board of Directors.
- As per the explanations given to me and the representations made by the Management and relied upon by me, there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.





During the period under review, as explained and represented by the management, there were no specific events/actions in pursuance of the above referred laws, rules, regulations, guidelines, standards etc., having a major bearing on the Company's affairs.

**For VASISHT & ASSOCIATES;**  
(Company Secretaries)

*Shobhit Vasisht*

**CS SHOBHIT VASISHT**

**UDIN:** F011517E000220363

**PR No:** 2355/2022

**FCS No:** 11517

**C P No:** 21476



**Date:** April 28,2023

**Place:** Faridabad

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

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

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

1. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on the audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, i followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
5. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**FOR VASISHT & ASSOCIATES;**

(Company Secretaries)

*Shobhit Vasisht*

**CS SHOBHIT VASISHT**

**UDIN: F011517E000220363**

**PR No: 2355/2022**

**FCS No: 11517**

**C P No: 21476**



**Date:** April 28,2023

**Place:** Faridabad

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

**Report on the Audit of the Ind AS Financial Statements**

**Opinion**

We have audited the Ind AS financial statements of **IRCON VADODARA KIM EXPRESSWAY LIMITED** (the "Company"), which comprise the Balance Sheet as at 31st March 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

**Basis for Opinion**

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

**Key Audit Matters**

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



financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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

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

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

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

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

#### **Responsibilities of Management and Those charged with Governance for the Ind AS Financial Statements**

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

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

In preparing the Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis



of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.



- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

#### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the **Annexure A**, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c. The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), and the Cash Flow Statement and the



Statement of Change in Equity dealt with by this Report are in agreement with the books of account.

- d. In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e. Being a government company, provision of section 164(2) of the Act are not applicable pursuant to the notification No. G.S.R.463(E) dated 5th June 2015, issued by the Central Government of India.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**".
- g. Being a government company, provision of section 197 of the Act are not applicable vide notification no. GSR 463 (E) dated 5th June 2015, issued by the Central Government of India.
- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 as amended, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company does not have any pending litigations which would have a material impact on its financial position.
  - ii. Based on the assessment made by the Company, there are no material foreseeable losses on long-term contracts that may require any provisioning. The Company did not have any derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Company
- iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;  
  
(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or



indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

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

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

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

S.No	Directions	Auditor's Replies
1.	Whether the company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the Integrity of the accounts along with the financial implications, if any, may be stated.	The Company has SAP system to process all the accounting transactions and used for preparation of the financial accounts.
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	According to the information and explanation given to us and as per our examination of records, no funds have been





	cases of deviation	received/receivable for any specific scheme from Central/State Government or its agencies during the financial year 2022-23
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For Bhasin Raghavan & Co  
Chartered Accountants  
Firm Registration No:000197N



(Partner)

Membership No: 093458  
UDIN-23093458BGWACY5656

Place: New Delhi

Date: 12.05.2023

## ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

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

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

- i. a. The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment and intangible assets.
- b. The Property, Plant and Equipment were physically verified by the management during the year. There is a regular program of verification, which in our opinion, is reasonable having regard to the size of the Company and nature of its business. No material discrepancies were noticed on such verification.
- c. During the year no assets has been revalued by the Company, hence reporting under clause 3 (i) d of the Order is not applicable to the Company.
- d. The Company does not have any immovable properties during the year, hence reporting under clause 3 (i) (c), and 3 (i) (e) of the Order is not applicable to the company.
- e. There are no proceedings initiated or pending against the company for holding any Benami property under the prohibition of Benami property Transactions Act 1988 and rules made thereunder.
- ii. a. The Company does not have any inventory, hence reporting under clause 3 (ii) (a) of the Order is not applicable to the company.
- b. The Company has not been sanctioned any working capital limits, in excess of Rs 5 Crores, in aggregate at any point of time during the year, from banks or financial institutions on the basis of security of current assets, hence reporting under clause 3(ii)(b) of the Order is not applicable.
- iii. The Company has not made investments in, provided any guarantee or security. or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships, and any other parties, during the year, hence reporting under clause 3(iii) (a), (b), (c), (d) and (e) of the Order is not applicable to the Company.
- iv. The Company has not granted loan, made investment, and provided guarantee and security, hence clause 3(iv) of the Order is not applicable to the Company.
- v. The Company has not accepted any deposit or amounts which are deemed to be deposits, hence reporting under clause 3(v) of the Order is not applicable.
- vi. The Company has maintained cost records specified by the Central Govt. under the provisions of section 148(1) of the Companies Act, 2013. However, we are neither required to carry out, nor have carried out any detailed examination of such accounts and records.
- vii. In respect of statutory dues: -



- a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and other material statutory dues applicable with the appropriate authorities. There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and other statutory dues in arrears as at March 31, 2023 for a period of more than six months from the date they became payable.
- b) According to the information and explanation given to us, and as per examination of records of the Company, there is no amount payable in respect of Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess, which have not been deposited as on March 31, 2023 on account of any dispute.
- viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix. a) in respect of loans and borrowings taken by the Company, based on our review of accounts and as per information provided, the Company has not defaulted in payment of loans or other borrowing or in the payment of interest thereon during the year under audit.
- b. The Company has not been declared wilful defaulter by any bank or financial institution or any other lender.
- c. Term loans received by the Company were applied for the purpose for which the loans were obtained.
- d. On an overall examination of the financial statements of the Company, funds raised by the Company on short term basis have not been utilised for long term purposes.
- e. On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its Associates.
- f. The Company has not raised any loans during the year on the pledge of securities held in associates, hence reporting under clause 3(ix)(f) of the Order is not applicable.
- x. (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the period and hence reporting under clause 3(x) (a) of the Order is not applicable.
- b. During the period, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally), hence reporting under clause 3(x)(b) of the Order is not applicable.



- xi. a) According to information and explanation given to us, no fraud by the Company and no fraud on the Company has been noticed or reported during the year.
- b. No report under sub-section (12) of section 143 of the Companies Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government during the year and upto the date of this report.
- c. No whistle blower complaint received by the Company during the year (and upto the date of this report).
- xii. The company is not a Nidhi company, hence reporting under clause (xii) of the Order is not applicable.
- xiii. In our opinion, the company is in compliance with sections 177 and 188 of the Companies Act, 2013 with respect to applicable transaction with related party and the details of related party transactions have been disclosed in the financial statements as required by applicable Accounting Standards.
- xiv. a) In our opinion and based on our examination, the company has an adequate internal audit system commensurate with the size and nature of its business.
- b. We have considered the Internal Audit Reports for the year under audit, issued to the company during the year and till date.
- xv. According to the information and explanations given to us, in our opinion, during the year company has not entered into any non-cash transactions with its directors or persons connected with its directors, hence provisions of section 192 of the Companies Act, 2013 Not applicable to the Company.
- xvi. a) In our opinion, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934, hence reporting under clause 3(xvi) (a) and (b) of the order is not applicable.
- b. According to the information provided and explanation given in our opinion, the company is not engaged in the business which attracts the requirement of registration of the company as a core investment company and further, there no core investment company within the group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016), hence reporting under clause 3(xvi) (c) and (d) of the Order is not applicable.
- xvii. The company has not incurred cash losses during the year covered by our audit and in the immediately preceding financial year.
- xviii. There has been no resignation of the Statutory Auditors of the Company during the year.
- xix. On the basis of the financial ratios, ageing and expected dates of 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 the 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 the assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

- xx. a) There is no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects for requiring a transfer to a fund specified in schedule VII to the Companies Act in compliance with second proviso to sub section (5) of section 135 of the said Act. Accordingly reporting under clause 3(xx)a of the order is not applicable for the year.
- b. There is no amount incurred towards Corporate Social Responsibility (CSR) on ongoing projects for the year.
- xxi. The Company is not required to prepare the consolidated financial statements, hence reporting under clause (xxi) of the Order is not applicable

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



(Partner)

Membership No: 093458  
UDIN- UDIN-23093458BGWACY5656

Place: New Delhi

Date:12.05.2023

**Annexure B” to the Independent Auditors’ Report of even date on the Ind AS Financial Statements of Ircon Vadodara Kim Expressway Limited for the period ended 31<sup>st</sup> 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 Vadodara Kim Expressway Limited** (“the Company”) as of March 31, 2023 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended 31<sup>st</sup> March 2023.

**Management’s Responsibility for Internal Financial Controls**

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

**Auditor’s Responsibility**

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

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

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



## **Meaning of Internal Financial Controls Over Financial Reporting**

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

## **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

## **Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 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 Bhasin Raghavan & Co  
Chartered Accountants  
Firm Registration No:000197N



(Partner)

Membership No: 093458  
UDIN- UDIN-23093458BGWACY5656

Place: New Delhi  
Date: 12.05.2023

Particulars	Note No.	As at 31st March 2023	As at 31st March 2022
<b>I. ASSETS</b>			
<b>1 Non-Current Assets</b>			
(a) Property, Plant and Equipment	3	0.04	0.39
(b) Capital Work-in-Progress		-	-
(c) Investment Property		-	-
(d) Intangible Assets		-	-
(e) Intangible Assets under Development		-	-
(f) Right-of-use Assets		-	-
(g) Financial Assets	4	-	-
(i) Investments		-	-
(ii) Loans	4.1	0.45	1.05
(iii) Others	4.2	84,297.10	80,729.57
(h) Deferred Tax Assets (Net)	5	6.89	12.52
(i) Other Non-Current Assets		-	-
<b>Total Non-Current Assets</b>		<b>84,304.48</b>	<b>80,743.33</b>
<b>2 Current Assets</b>			
(a) Inventories		-	-
(b) Financial Assets	6	-	-
(i) Investments		-	-
(ii) Trade Receivables	6.1	11.75	233.35
(iii) Cash and Cash Equivalents	6.2	3,362.47	115.70
(iv) Other Bank Balances	6.3	-	-
(v) Loans	6.4	0.60	0.60
(vi) Others	6.5	8,976.61	3,480.74
(c) Current Tax Assets (Net)	7	143.97	437.91
(d) Other Current Assets	8	8,369.88	8,508.96
(e) Assets held for Sale		-	-
<b>Total Current Assets</b>		<b>20,865.28</b>	<b>12,575.26</b>
<b>Total Assets</b>		<b>1,05,169.76</b>	<b>93,318.59</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b>1 Equity</b>			
(a) Equity Share Capital	9	1,000.00	1,000.00
(b) Other Equity	10	27,820.68	22,990.32
<b>Total Equity</b>		<b>28,820.68</b>	<b>23,990.32</b>
<b>2 Liabilities</b>			
<b>(i) Non-Current Liabilities</b>			
(a) Financial Liabilities	11		
(i) Borrowings	11.1	68,964.00	52,053.62
(ii) Trade Payables		-	-
- Total Outstanding Dues of Micro Enterprises and Small Enterprises		-	-
- Total Outstanding Dues of Creditors Other than of Micro Enterprises and Small Enterprises		-	-
(iii) Other Financial Liabilities	11.2	395.95	18.77
(b) Provisions		-	-
(c) Deferred Tax Liabilities (Net)		-	-
(d) Other Non-Current Liabilities		-	-
<b>Total Non-Current Liabilities</b>		<b>69,359.95</b>	<b>52,072.39</b>
<b>(ii) Current Liabilities</b>			
(a) Financial Liabilities	12		
(i) Borrowings	12.1	3,448.00	6,896.38
(ii) Trade Payables	12.2	-	-
- Total Outstanding Dues of Micro Enterprises and Small Enterprises		50.47	-
- Total Outstanding Dues of Creditors Other than of Micro Enterprises and Small Enterprises		3,258.63	9,291.87
(iii) Other Financial Liabilities	12.3	199.33	842.48
(b) Other Current Liabilities	13	32.70	225.15
(c) Provisions		-	-
(d) Current Tax Liability (Net)		-	-
<b>Total Current Liabilities</b>		<b>6,989.13</b>	<b>17,255.88</b>
<b>Total Equity and Liabilities</b>		<b>1,05,169.76</b>	<b>93,318.59</b>
<b>III. Summary of Significant Accounting Policies</b>	1 - 2		
<b>IV. Notes forming part of Financial Statements</b>	3 - 41		

As per our Report of even date attached

For Bhasin Raghavan & Co  
Chartered Accountants  
FRN : 080197N

  
Vikram Singh  
Partner  
M No. 093458



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

  
Nitesh Kumar G Asati  
CEO

  
Raj Kumar  
Director  
DIN - 08190141

  
Masood Ahmad  
Director  
DIN - 09108553

  
Shivi Kapoor  
CS



Place: New Delhi  
Date: 12.05.2023  
UDIN : 23093458B61wAcY5656



**IRCON VADODARA KIM EXPRESSWAY LIMITED**  
**CIN - U74999DL2018GOI334028**  
**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2023**

(Rs in Lakh)

	Particulars	Note No.	For the year ended 31st March 2023	For the year ended 31st March 2022
I.	Revenue :			
	Revenue from operations	14	20,544.00	39,903.21
II.	Other income	15	7,355.67	67.53
III.	<b>Total Income (I + II)</b>		<b>27,899.67</b>	<b>39,970.74</b>
IV.	Expenses:			
	Project Expenses	16	19,699.32	27,570.51
	Other Expenses	16	55.76	1.49
	Employee Benefits Expenses	17	133.62	164.31
	Finance Costs	18	5,071.70	4,205.10
	Depreciation, Amortisation and Impairment	19	0.21	0.53
	<b>Total Expenses (IV)</b>		<b>24,960.61</b>	<b>31,941.94</b>
V.	<b>Profit Before exceptional items and Tax (III - IV)</b>		<b>2,939.06</b>	<b>8,028.80</b>
VI.	Exceptional items		-	-
VII.	<b>Profit before tax (V + VI)</b>		<b>2,939.06</b>	<b>8,028.80</b>
VIII.	Tax expenses:			
	(1) Current tax			
	- For the Period		759.29	2,022.28
	- For earlier years (net)		(0.01)	0.50
	(2) Deferred tax (net)		5.42	(9.78)
	<b>Total Tax Expense</b>		<b>764.70</b>	<b>2,013.00</b>
IX.	<b>Profit for the year from continuing operation (VII - VIII)</b>		<b>2,174.36</b>	<b>6,015.80</b>
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.	<b>Total Comprehensive Income for the year (IX +X) (Comprising profit/(loss) and other comprehensive income for the year, net of tax)</b>		<b>2,174.36</b>	<b>6,015.80</b>
XII.	Earnings Per Equity Share: (For Continuing Operation)			
	(1) Basic	29	21.74	60.16
	(2) Diluted		21.74	60.16
	Face Value Per Equity Share		10.00	10.00
XIII.	Summary of Significant Accounting policies	1 - 2		
XIV.	Notes forming part of financial statements	3 - 41		

As per our Report of even date attached

For Bhasin Raghavan & Co  
Chartered Accountants  
FRN : 000197N

  
Vikram Singh  
Partner  
M. No. 093458



  
Nitesh Kumar G Asati  
CEO

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

  
Rohit Parmar  
Director  
DIN - 08190141

  
Raj Kumar  
CFO



  
Masood Ahmad  
Director  
DIN - 09008553

  
Shivi Kapoor  
CS

Place : New Delhi  
Date : 12.05.2023

IRCON VADDARA KIM EXPRESSWAY LIMITED  
CIN - U74999DL2018GO1334028  
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH 2023

(Rs in Lakh)

Particulars		For the year ended 31st March 2023	For the year ended 31st March 2022
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Net Profit before taxation		2,939.06	8,028.80
Adjustment for:			
Depreciation, amortization and impairment		0.21	0.53
Loss on sale of assets (net)		-	-
Interest expense on Loan		4,868.57	4,201.73
Bank Interest		-	-15.68
Interest Income on Financial Assets		-7,323.00	-
<b>Operating Profit before Current / Non-Current Assets and Liabilities</b>	(1)	<b>484.84</b>	<b>12,215.39</b>
Adjustment for:			
Decrease / (Increase) in Trade Receivables/ Financial Assets - Loans		221.60	4,195.79
Decrease / (Increase) in Other Assets & Financial Assets		-7,807.33	-19,058.43
(Decrease) / Increase in Trade Payables		-5,982.78	9,050.23
(Decrease) / Increase in Other Liabilities, Financial Liabilities & Provisions		-473.12	-5,052.46
	(2)	<b>-14,041.65</b>	<b>-10,864.87</b>
<b>Cash Generated From Operations</b>	(1+2)	<b>-13,556.81</b>	<b>1,350.52</b>
Income Tax Paid		-465.33	-1,458.80
<b>NET CASH FROM OPERATING ACTIVITIES</b>	(A)	<b>-14,022.14</b>	<b>-108.28</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Sale/(Purchase) of Property, Plant and Equipment		0.14	-
Bank Interest		-	15.77
Interest Income on Financial Assets		6,006.62	-
(Investment) / Maturity of Bank Deposits (having maturity of more than 3 months)		-	-
<b>NET CASH FROM INVESTING ACTIVITIES</b>	(B)	<b>6,006.76</b>	<b>15.77</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Loan From Itron International Limited		3,448.00	3,448.00
Interest expense on Loan from Bank of Baroda		-4,853.85	-4,172.48
Loan from Bank of Baroda		13,462.00	58,950.00
Repayment of Loan to Itron International Limited		-	-58,950.00
Repayment of Loan from Bank of Baroda		-3,448.00	-3,448.00
Receipt of Interest Free Loan from Itron International Limited		2,656.00	4,241.00
<b>NET CASH FROM FINANCING ACTIVITIES</b>	(C)	<b>11,264.15</b>	<b>168.52</b>
Effect of Exchange differences on translation of Foreign Currency Cash & Cash Equivalents	(D)	-	-
<b>NET INCREASE / (DECREASE) IN CASH &amp; CASH EQUIVALENTS</b>	(A+B+C+D)	<b>3,248.77</b>	<b>76.01</b>
<b>CASH AND CASH EQUIVALENTS (OPENING)</b>			
Cash in Hand	(E)	-	-
Balances with banks:			
- On current accounts		113.70	6.69
- Flexi Accounts		-	31.00
- Deposits with original maturity of less than 3 months		-	-
		<b>113.70</b>	<b>37.69</b>
<b>CASH AND CASH EQUIVALENTS (CLOSING)</b>	(F)		
Cash in Hand		-	-
Balances with banks:			
- On current accounts		3,362.47	113.70
- Flexi Accounts		-	-
- Deposits with original maturity of less than 3 months		-	-
		<b>3,362.47</b>	<b>113.70</b>
<b>NET INCREASE / (DECREASE) IN CASH &amp; CASH EQUIVALENTS</b>	(F - E)	<b>3,248.77</b>	<b>76.01</b>

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

(Rs in Lakh)

Particulars		Loan From IRCON	Loan From Bank of Baroda
Balance as at 1st April, 2022	Principal	3,448.00	55,502.00
	Interest	18.77	10.49
Non Cash Changes due to:			
Interest accrued	Non cash	377.17	4,858.07
<b>Cash flows:</b>			
-Repayments	Principal	-	(3,448.00)
-Repayments	Interest	-	(4,853.85)
-Proceed	Principal	3,448.00	13,462.00
Balance as at 31st March 2023	Principal	6,896.00	65,516.00
	Interest	395.95	14.72
		<b>7,291.95</b>	<b>65,530.72</b>



*[Signature]*

*[Signature]*

*[Signature]*

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

(Rs in Lakh)

Particulars		Loan From IRCON	Loan From Bank of Baroda
Balance as at 1st April, 2021	Principal	58,950.00	-
New Cash Changes due to			
Interest accrued	Non cash	18.77	10.49
Cash flows:			
-Repayments	Principal	(58,950.00)	(3,448.00)
-Proceed	Principal	3,448.00	58,950.00
Balance at 31st March 2022	Principal	3,448.00	55,502.00
	Interest	18.77	10.49
		3,466.77	55,512.49

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

2. Figures in brackets represent outflow of cash

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

4. Earmarked and restricted balances are mentioned in Note 6.2.

As per our Report of even date attached

For Bhavin Raghavan & Co  
Chartered Accountants  
FBN : 000197N



Vikram Singh  
Partner  
M. No. 093458

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



Beni Parmar  
Director  
DIN : 08190141

Masood Ahmad  
Director  
DIN : 09008553

Nitesh Kumar G Asoti  
CEO

Raj Kumar  
CFO

Shivi Kapoor  
CS

Place : New Delhi  
Date : 12.05.2022

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2023

A. Equity Share Capital

For the year ended 31st March 2023		(Rs in Lakh)
Particulars		Amount
Balance as at 01 April, 2022		1,000
Changes in Equity Share Capital due to prior period errors		-
Restated balance as at 1 April, 2022		1,000
Changes in equity share capital during the year		-
Balance as at 31 March 2023		1,000

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

B. Other Equity

For the year ended 31st March 2023					(Rs in Lakh)
Particulars	Reserves & Surplus			Other Comprehensive Income	Total
	General Reserves	Retained Earnings	Deemed Equity	Exchange differences on translating the financial statement of a foreign operation	
Balance as at 1 April, 2022	-	6,072.32	16,918.00	-	22,990.32
Changes in accounting policy or prior period errors	-	-	-	-	-
Restated balance as at 1 April 2022	-	6,072.32	16,918.00	-	22,990.32
Profit for the year	-	2,174.36	-	-	2,174.36
Addition during the year	-	-	2,656.00	-	2,656.00
Other Comprehensive Income	-	-	-	-	-
Remeasurement of Defined Benefit Plans	-	-	-	-	-
Foreign Exchange translation difference	-	-	-	-	-
Total Comprehensive Income for the period	-	2,174.36	2,656.00	-	4,830.36
Dividends Paid	-	-	-	-	-
Dividend Distribution Tax	-	-	-	-	-
Balance as at 31 March 2023	-	8,246.68	19,574.00	-	27,820.68

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

As per our Report of even date attached

For Bhasin Raghavan & Co  
Chartered Accountants  
FRN : 000197N

Vikram Singh  
Partner  
M. No. 093458



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

Rohit Parmar  
Director  
DIN - 08190141

Nitesh Kumar G Asati  
CEO



Masood Ahmad  
Director  
DIN - 09008553

Raj Kumar  
CFO

Shivi Kapoor  
CS

Place New Delhi  
Date 12.05.2023

## **1. Corporate Information**

Ircon Vadodara Kim Expressway Limited (IrconVKEL) is a wholly owned subsidiary of Ircon International Limited (IRCON), public sector construction company domiciled in India. IrconVKEL (CIN U74999DL2018GOI33402) is incorporated under the provisions of the Companies Act, 2013 applicable in India. The registered office of the company is located at C-4, District Centre, Saket, New Delhi- 110017. The Company came into existence when IRCON was awarded the work of "Eight lane Vadodara Kim Expressway from Km 323.00 to Km 355.00 (Sapna to Padra Section of Vadodara Mumbai Expressway) in the State of Gujarat under NHDP Phase-VI on Hybrid Annuity mode (Phase IA-Package II)" in accordance with the terms and conditions in the Concession Agreement by National Highway Authority of India (NHAI). In pursuant to the provisions of "Request for Proposal", the selected bidder 'IRCON' has formed a Special Purpose Vehicle (SPV) named Ircon Vadodara Kim Expressway Limited as wholly owned subsidiary of IRCON, incorporated on 16th May, 2018. Accordingly, IrconVKEL has signed the Concession Agreement with NHAI on 25<sup>th</sup> May, 2018 for the project value amounting to Rs 1865 Crore (i.e Bid Project Cost). 40% of the Bid Project cost, adjusted for Price Index Multiple, shall and due and payable to the Concessionaire(IrconVKEL) in 5 equal installments of 8% each during the construction period . The remaining Bid Project cost, adjusted for Price Index Multiple, shall be due and payable in 30 biannual installments commencing from the 180<sup>th</sup> day of COD in accordance with the Provisions of clause 23.6 of the agreement which is Annuity payments during Operation Period. The Project is under Annuity pattern and will be under operation with the IrconVKEL for 15 years from the Commercial Operational Date (COD). The payments of the same, under Annuity model will be payable at the achievement of specific milestone as per the agreement. The Concession period is 730 days commencing from Appointed Date i.e. 31st Jan, 2019 as notified by NHAI. NHAI has issued the Provisional Completion Certificate w.e.f. 25.08.2022 and subsequent to achievement of PCOD, Operation & Maintenance phase of the Project has been commenced w.e.f 26.08.2022.

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

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

### **2.2 Summary of significant accounting policies**

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

#### **2.2.1 Current vs non-current classification**



The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

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

The Company classifies all other assets as non-current.

A liability is current when:

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

The Company classifies all other liabilities as non-current.

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

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

## **2.2.2 Property, plant and equipment**

### Recognition and Initial Measurement

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

Cost of asset includes

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

Freehold land is carried at historical cost.

### Subsequent measurement

Property, plant and equipment are subsequently measured at cost net of accumulated depreciation



and accumulated impairment losses, if any. Subsequent expenditure is capitalized if it is probable that future economic benefits associated with the expenditure will flow to the Company and cost of the expenditure can be measured reliably.

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

The machinery spares are capitalized if recognition criteria are met.

#### Depreciation and useful lives

Depreciation on property, plant and equipment, excluding freehold land 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.

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

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

#### Derecognition

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

### **2.2.3 Impairment of non-financial assets**

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



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

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

#### **2.2.4 Revenue recognition**

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

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

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

The nature of Company's contract gives rise to several types of variable consideration including escalation and liquidated damages.

Any subsequent change in the transaction price is then allocated to the performance obligations in the contract on the same basis as at contract inception.

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

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

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

- a) The customer simultaneously receives and consumes the benefits provided by the entity's performance as the entity perform.
- b) The entity's performance creates or enhances an asset (for example, work in progress) that the customer controls as the asset is created or enhanced or





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

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

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

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

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

a) **Contract balances**

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

b) **Other income**

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

Interest income is recognized using Effective Interest rate method.

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



### **2.2.5 Borrowing cost**

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

### **2.2.6 Taxes**

#### **a) Current income Tax**

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

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

#### **b) Deferred Tax**

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

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

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

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

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

### **2.2.7 Employee benefit**



**a) Short-term employee benefits**

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

**b) Post-employment benefits**

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

**2.2.8 Cash and cash equivalents**

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

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

**2.2.9 Dividend**

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

**2.2.10 Provisions, contingent assets and contingent liabilities**

**a) Provisions**

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

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

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

**b) Onerous contracts**



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

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

**e) Contingent liabilities**

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

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

**d) Contingent assets**

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

**2.2.11 Leases**

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

**Company as a lessee**

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

**i) Lease liabilities**

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



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

The Company's lease liabilities are included in financial liabilities

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

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

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

**2.2.12 Financial instruments**

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

**a) Financial assets**

*Initial recognition and measurement*

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

*Subsequent measurement*

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

• **Debt instruments at amortised cost**

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

- a. The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b. Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of



the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

- **Debt instruments at FVTOCI (Fair Value Through Other Comprehensive Income)**

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 (Fair Value Through Profit or Loss)**

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

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

- **Equity instruments**

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

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

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

**Impairment of financial assets**

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

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

- a. Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance
- b. Financial assets that are debt instruments and are measured as at FVTOCI



- c. Lease receivables under Ind AS 116
- d. Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115
- e. Loan commitments which are not measured as at FVTPL
- f. Financial guarantee contracts which are not measured as at FVTPL

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

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

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

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

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

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

- Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.
- Loan commitments and financial guarantee contracts: ECL is presented as a provision in the balance sheet, i.e. as a liability.
- Debt instruments measured at FVTOCI : For debt instruments measured at FVOCI, the expected credit losses do not reduce the carrying amount in the balance sheet, which remains at fair value. Instead, an amount equal to the allowance that would arise if the asset was measured at amortised cost is recognised in other comprehensive income as the 'accumulated impairment amount'

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

#### Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognized only when the contractual rights to the cash flows from the



asset expires or it transfers the financial assets and substantially all risks and rewards of the ownership of the asset.

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

**b) Financial liabilities**

*Initial recognition and measurement*

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

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

*Subsequent measurement*

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

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

The company has not designated any financial liabilities at FVTPL.

• **Financial liabilities at amortized cost**

*Loans, borrowings, trade payables and other financial liabilities*

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

*Derecognition of financial liabilities*

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

**c) Financial guarantee contracts**

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





**d) Reclassification of financial assets**

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

**e) Offsetting of financial instruments**

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

**2.2.13 Fair value measurement**

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

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

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

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

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

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

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

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable



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

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

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

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

#### **2.2.14 Prior Period Adjustment**

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

#### **2.2.15 Operating Segment**

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

#### **2.2.16 Earnings Per Share**

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

#### **2.2.17 Significant accounting estimates and judgments**

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

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



a. Allowances for uncollected trade receivables

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

b. Defined benefit plans

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

c. Contingencies

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

d. Impairment of financial assets

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

e. Taxes

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

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

f. Impairment of non financial assets

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales



transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a DCF (Discounted Cash Flow) model.

g. Leases - Estimating the incremental borrowing rate

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

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

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

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

i. Revenue recognition

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

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

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

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

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

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

Revenue and costs in respect of contracts are recognized by reference to the stage of completion of the contract activity at the end of reporting period, measured based on proportion of contract costs incurred for work performed to the date relative to the estimated total contract costs, where



**IRCON Vadodara Kim Expressway Limited**  
**Notes to financial statements for the year ended March 31, 2023**

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this would not be representative of stage of completion. Variations in contract work and claims are included to the extent that amount can be measured reliably, and receipt is considered probable. When it is probable that contract costs will exceed total contract revenue, the expected loss is recognized as an expense immediately.



**IRCON VADODARA KIM EXPRESSWAY LIMITED**

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Notes forming part of the financial statements for the year ended 31st March 2023

**3 Property, Plant and Equipment**

(Rs in Lakh)

	Computers	Total
<b>Gross Carrying Amount (At Cost)</b>		
At 1 April 2021	1.67	1.67
Additions	-	-
Disposals/Adjustments	-	-
At 31 March 2022	1.67	1.67
At 1 April 2022	1.67	1.67
Additions	-	-
Disposals/Adjustments	-0.93	-0.93
At 31 March 2023	0.74	0.74
<b>Depreciation and impairment</b>		
At 1 April 2021	0.75	0.75
Depreciation charge for the year	0.53	0.53
Disposals/Adjustments	-	-
At 31 March 2022	1.28	1.28
At 1 April 2022	1.28	1.28
Depreciation charge for the year	0.21	0.21
Disposals/Adjustments	-0.79	-0.79
At 31 March 2023	0.70	0.70
<b>Net book value</b>		
At 31st March 2023	0.04	0.04
At 31st March 2022	0.39	0.39

**PPE Disclosure**

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 (in Years)	Useful life adopted based on technical evaluation (in years)
Building/flats residential/non residential *	60	8-60
Plant and Machinery *	8-15	1-15
Survey instruments	10	10
Computers	3-6	3-6
Office Equipment's	5-10	5-10
Furniture and fixtures	10	10
Caravans, Camps and temporary shed	3-5	3-5
Vehicles	8-10	8-10

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



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Notes forming part of the financial statements for the year ended 31st March 2023

**4 Financial Assets****4.1 Non-Current Financial Assets - Loans****(Rs in Lakh)**

<b>Particulars</b>	<b>As at 31st March 2023</b>	<b>As at 31st March 2022</b>
<b><u>A. Considered Good : Secured</u></b>		
Staff Loans and Advances	-	-
<b>Total (A) - Considered Good : Secured</b>	<b>-</b>	<b>-</b>
<b><u>B. Considered Good : Unsecured</u></b>		
Staff Loans & Advances	0.45	1.05
<b>Total (B) - Considered Good : Unsecured (i+ii)</b>	<b>0.45</b>	<b>1.05</b>
<b><u>C. Significant Increase in Credit Risk (Deleted)</u></b>		
	-	-
<b><u>D. Credit Impaired ( Deleted)</u></b>		
	-	-
<b>Total</b>	<b>0.45</b>	<b>1.05</b>

**4.2 Non-Current Assets - Other Financial Assets****(Rs in Lakh)**

<b>Particulars</b>	<b>As at 31st March 2023</b>	<b>As at 31st March 2022</b>
<b><u>Considered Good : Unsecured</u></b>		
Interest Accrued on :		
- Advance to Staff	0.19	-
Contract Asset :		
- Billable Revenue / Receivable not due	84,296.91	80,729.57
<b>Total</b>	<b>84,297.10</b>	<b>80,729.57</b>



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 period ended 31 March 2023 and 31 March 2022 respectively are:

S.No.	Particulars	(Rs in Lakh)	
		For the period ended	
		31st March 2023	31st March 2022
1	Profit and Loss Section		
	Current income tax:		
	Current income tax charge	759.29	2,022.28
	Adjustment in respect of current tax of previous year	-0.01	0.50
	Deferred tax:		
	Relating to origination and reversal of temporary differences	5.42	-0.78
	Income tax expense reported in the Profit and Loss section	764.70	2,013.00
2	Other Comprehensive Income (OCI) Section		
	Income tax related to items recognised in OCI during the year:		
	Net (loss)/gain on remeasurements of defined benefit plans	-	-
	Net (loss)/gain on foreign operation translation	-	-
	Income tax expense reported in the OCI section	-	-

(b) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31 March 2023 and 31 March 2022:

S.No.	Particulars	(Rs in Lakh)	
		For the period ended	
		31st March 2023	31st March 2022
1	Accounting profit before income tax	2,939.06	8,028.80
2	Corporate tax rate as per Income Tax Act, 1961	25.168%	25.168%
3	Tax on Accounting profit (1) * (2)	739.70	2,020.69
4	Effect of Tax Adjustments:		
(i)	Adjustments in respect of current income tax of previous years	-0.01	0.50
(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	25.01	-8.19
5	Income tax expense reported in the Statement of Profit and Loss	764.70	2,013.00
6	Effective Tax Rate	26.02%	25.07%

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

S.No.	Particulars	(Rs in Lakh)			
		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	0.08	0.01	-0.07	-0.03
2	Impact of Preliminary Expenses	-	0.51	0.52	0.52
3	Items disallowed u/s 43B of Income Tax Act, 1961	6.81	11.79	4.97	-10.27
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	Unrealised gain/loss on FVTOCI equity securities and FVTPL Mutual funds	-	-	-	-
	Net deferred tax assets/(liabilities)	6.89	12.32	5.42	-9.78

(d) Reflected in the balance sheet as follows:

S.No.	Particulars	(Rs in Lakh)	
		For the period ended	
		31st March 2023	31st March 2022
1	Deferred tax assets	6.89	12.32
2	Deferred tax liability	-	-
	Deferred Tax Asset/(Liabilities) (Net)	6.89	12.32

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 31st March 2023					(Rs in Lakh)
S.No.	Particulars	Net balance As at 1st April 2022	Recognised in statement of profit and loss	Recognised in OCI	Net balance As at 31st March 2023
1	Property, Plant & Equipment (including intangible): Difference in book depreciation and income tax depreciation	0.01	0.07	-	0.08
2	Impact of Preliminary Expenses	0.52	-0.52	-	0.52
3	Items disallowed u/s 43B of Income Tax Act, 1961	11.79	-4.97	-	6.81
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	-	-	-	-
	Net deferred tax assets/(liabilities)	12.32	-5.42	-	6.89

As at 31 March 2022					(Rs in Lakh)
S.No.	Particulars	Net balance As at 1st April 2021	Recognised in statement of profit and loss	Recognised in OCI	Net balance As at 31st March 2022
1	Property, Plant & Equipment (including intangible): Difference in book depreciation and income tax depreciation	-0.02	0.03	-	0.01
2	Impact of Preliminary Expenses	1.04	-0.52	-	0.52
3	Items disallowed u/s 43B of Income Tax Act, 1961	1.52	-10.27	-	11.79
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	-	-	-	-
	Net deferred tax assets/(liabilities)	2.54	8.78	-	12.32





6 Current Assets - (Financial) Assets

6.1 Current Financial Assets - Trade Receivables

Particulars	(Rs in Lakh)	
	As at 31st March 2023	As at 31st March 2022
Considered Good : Unsecured	11.75	233.35
Considered Doubtful : Unsecured	-	-
Impairment Allowance (allowance for bad and doubtful debts) Unsecured, considered good	-	-
<b>Total</b>	<b>11.75</b>	<b>233.35</b>

Trade Receivable Aging Schedule

Particulars	Unbilled	Not Due	Outstanding for the year ended March 31, 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) Unbilled Trade receivables - considered good	-	-	-	-	
(ii) Unbilled Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Unbilled 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	-	-	-	-	-	-	-	-

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



**IRCON VADODARA KIM EXPRESSWAY LIMITED**

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Notes forming part of the financial statements for the year ended 31st March 2023

**6.2 Current Financial Assets - Cash and Cash equivalents**

(Rs in Lakh)

Particulars	Foot Note	As at 31st March 2023	As at 31st March 2022
Cash in hand		-	-
Cheques/drafts in hand		-	-
Remittance in Transit		-	-
<i>Balances with banks:</i>			
- On current accounts*		3,362.47	113.70
- Flexi Accounts		-	-
- Deposits with original maturity of less than 3 months		-	-
		<b>3,362.47</b>	<b>113.70</b>

\* Includes Rs 3362.47 lakhs (As at 31st March 2022 Rs 113.70 lakhs ) balance pertains to ESCROW account which are earmarked funds as per concession agreement entered with NHAI

**6.3 Current Financial Assets - Other Bank Balances**

(Rs in Lakh)

Particulars	As at 31st March 2023	As at 31st March 2022
<b>Other Bank Balances</b>		
Deposits with original maturity of more than 3 months but less than 12 months	-	-
	-	-

**6.4 Current Financial Assets - Loans**

(Rs in Lakh)

Particulars	As at 31st March 2023	As at 31st March 2022
<b>A. Considered Good : Secured</b>		
Staff Loans and Advances	-	-
<b>B. Considered Good : Unsecured</b>		
(i) Loans to Related Parties:	-	-
(ii) Others:		
Staff Loans & Advances *	0.60	0.60
<b>Total</b>	<b>0.60</b>	<b>0.60</b>

\* Details of amount due from Directors:

Particulars	As at 31st March 2023	As at 31st March 2022
Amount due from directors included in staff loans and advances		
<b>Total</b>	<b>-</b>	<b>-</b>



**IRCON VADODARA KIM EXPRESSWAY LIMITED**  
**CIN - U74999DL2018GOI334028**  
**Notes forming part of the financial statements for the year ended 31st March 2023**

**6.5 Current Assets - Other Financial Assets**

(Rs in Lakh)

Particulars	As at 31st March 2023	As at 31st March 2022
<b>Considered Good : Unsecured</b>		
Contract Asset :		
- Billable Revenue / Receivable not due	5,541.85	3,396.21
- Money Withheld by Client	2,118.38	84.53
Interest Recoverable on Financial Assets	1,316.38	-
<b>Total - Other Financial Assets - Good</b>	<b>8,976.61</b>	<b>3,480.74</b>
<b>Considered Doubtful : Unsecured</b>		
<b>Total - Other Financial Assets - Doubtful</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>8,976.61</b>	<b>3,480.74</b>



7 Current Assets - Current Tax Assets (Net)

(Rs in Lakh)

Particulars	As at 31st March 2023	As at 31st March 2022
Taxes Paid including TDS & Advance Tax (Net of Provision for Tax)	143.97	437.91
<b>Current tax Assets (Net)</b>	<b>143.97</b>	<b>437.91</b>

Current Tax Assets (Net)

(Rs in Lakh)

Particulars	As at 31st March 2023	As at 31st March 2022
<b>Taxes Paid :</b>		
Income Tax - (including Advane Tax, TDS & TCS)	903.26	2,460.19
Less : Provision for Tax	-759.29	-2,022.28
<b>Total</b>	<b>143.97</b>	<b>437.91</b>



**IRCON VADODARA KIM EXPRESSWAY LIMITED**

CIN - U74999DL2018GOI334028

Notes forming part of the financial statements for the year ended 31st March 2023

**8 Other Current Assets**

(Rs in Lakh)

Particulars	As at 31st March 2023	As at 31st March 2022
<b>Considered Good : Unsecured</b>		
<b>Advances Other than Capital Advances</b>		
Advances to Contractors, Suppliers and Others	-	-
Advance Recoverable from:		
- Goods & Services Tax	8,232.06	8,255.86
- Building Cess *	104.71	-
Security Deposits	-	-
<b>Interest Accrued on:</b>		
Deposits & Advances with Contractors, Suppliers & Others	-	-
Prepaid Expenses	33.11	53.10
<b>Considered Doubtful : Unsecured</b>	-	-
<b>Total</b>	<b>8,369.88</b>	<b>8,308.96</b>

\* It will be adjusted against future building cess liability of the Company.



9 Equity Share capital

(Rs in Lakh)

Particulars	As At 31st March 2023	As At 31 March 2022
<b>Authorised share capital</b>		
1,00,00,000 Equity shares of Rs 10 each (1,00,00,000 Equity shares of Rs 10 each as at 31st March 2022)	1,000.00	1,000.00
	1,000.00	1,000.00
<b>Issued/Subscribed and Paid up Capital</b>		
1,00,00,000 Equity shares of Rs 10 each-fully paid (1,00,00,000 Equity shares of Rs 10 each-fully paid as at 31st March 2022)	1,000.00	1,000.00
	1,000.00	1,000.00

Promoter's shareholding

Particulars	Shares held by Promoter at the end of the period / year				% change during the period / year
	S.No	Promoter Name*	No. of shares	% of total shares	
As at March 31, 2023	1	Iron International Limited and its nominees	1,00,00,000	100.00%	-
	2				
	3				
	4				
	5				

Particulars	Shares held by Promoter at the end of the period / year				% change during the period / year
	S.No	Promoter Name*	No. of shares	% of total shares	
As at March 31, 2022	1	Iron International Limited and its nominees	1,00,00,000	100.00%	-
	2				
	3				
	4				
	5				

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

Name of the shareholder	As at March 31, 2023		As at March 31, 2022	
	No. of Share	% holding in the class	No. of Share	% holding in the class
Iron International Limited and its nominees	1,00,00,000	100.00%	1,00,00,000	100.00%

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

	As at March 31, 2023	As at 31 March 2022
	No. of Share	No. of Share
Equity shares allotted other than cash	-	-
Equity shares issued as bonus shares	-	-
Equity shares Buy Back	-	-
<b>Total</b>	-	-

(c) Terms / Rights attached to Equity Shares :

(i) Voting

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

(ii) Liquidation

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

(iii) Dividend

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

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

Particulars	As at March 31, 2023		As at 31 March 2022	
	No of shares	(Rs in Lakh)	No of shares	(Rs in Lakh)
Issued/Subscribed and Paid up equity Capital outstanding at the beginning of the year	1,00,00,000	1,000.00	1,00,00,000	1,000.00
Add: Shares Issued during the year	-	-	-	-
Less: Shares Buy Back during the year	-	-	-	-
Issued/Subscribed and Paid up equity Capital outstanding at the end of the year	1,00,00,000	1,000.00	1,00,00,000	10,000.00



**IRCON VADODARA KIM EXPRESSWAY LIMITED**

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Notes forming part of the financial statements for the year ended 31st March 2023

**10 Other Equity****(Rs in Lakh)**

<b>Particulars</b>	<b>As at 31st March 2023</b>	<b>As At 31 March 2022</b>
Retained Earnings	8,246.68	6,072.32
General Reserve	-	-
Other Reserve	19,574.00	16,918.00
Other Comprehensive Income	-	-
<b>Total</b>	<b>27,820.68</b>	<b>22,990.32</b>

**i) Movement as per below:**

<b>(a) Retained Earnings</b>		
<b>Opening Balance</b>	6,072.32	56.52
Add: Ind AS Adjustments		
Transfer from surplus in statement of profit and loss	2,174.36	6,015.80
<b>Closing Balance</b>	<b>8,246.68</b>	<b>6,072.32</b>
<b>(b) General Reserve</b>		
<b>Opening Balance</b>	-	-
Add: Transfer from Retained Earnings	-	-
<b>Opening and Closing Balance</b>	-	-
<b>(c) Deemed Equity</b>		
<b>Opening Balance</b>	16,918.00	12,577.00
Add : Addition during the period	2,656.00	4,341.00
<b>Closing Balance</b>	<b>19,574.00</b>	<b>16,918.00</b>
<b>(d) Other Comprehensive Income</b>		
<b>Opening Balance</b>	-	-
Debt Instruments Through OCI	-	-
Foreign Currency Translation (net of tax) during the Year	-	-
<b>Closing Balance</b>	-	-
<b>Grand Total (a+b+c+d)</b>	<b>27,820.68</b>	<b>22,990.32</b>

**ii) Nature and Purpose of Other Reserves:****(a) Retained Earnings**

Retained Earnings represents the undistributed profits of the Company.

**(b) General Reserve**

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

**(c) Deemed Equity**

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

**(d) Items of Other Comprehensive Income**

Other Comprehensive Income represents balance arising on account of exchange difference on translation of foreign operations.



II Non-Current Liabilities - Financial Liabilities

II.1 Non-Current Financial Liabilities - Borrowings

Particulars	(Rs in Lakh)	
	As at 31st March 2023	As at 31st March 2022
<b>Unsecured:</b>		
Loan from Ircan International Limited *	6,896.00	3,448.00
<b>Secured</b>		
Loan from Bank of Baroda **	62,058.00	48,605.62
<b>Total</b>	<b>68,954.00</b>	<b>52,053.62</b>

Notes :

\* **Un-Secured Loan from IRCON**

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

1. Sanction :-Rs 6896 Lakh

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

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

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

\*\* **Secured Loan from Bank of Baroda**

Terms & Conditions of Loan from Bank of Baroda

Sanction :- 72412 Lakh

(i) Interest rate to be charged on loan shall be at 1 Year MCLR without Strategic Premium i.e presently 8.30% p.a payable on Monthly rests as at 31.03.2023.

(ii) Moratorium of 7 months from the date of COD. The Company achieved provisional completion certificate i.e. Provisional COD. On request of IrcanVKEL, Bank of Baroda made the subsequential shift in repayment schedule on 01.11.2022. Now next repayment Schedule is Starting w.e.f 25.03.2024 and last installment on 25.03.2033.

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

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

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

(vi) The loan shall be secured by-

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

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

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

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

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

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

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

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

(i) Assignment of all applicable insurance policies.

II.2 Non-Current Liabilities - Other Financial Liabilities

Particulars	(Rs in Lakh)	
	As at 31st March 2023	As at 31st March 2022
Interest Accrued on loan but not due *	395.95	18.77
<b>Total</b>	<b>395.95</b>	<b>18.77</b>

\* Interest on Unsecured Term Loan taken Loan from IRCON





12 Current Liabilities - Financial Liabilities

12.1 Current Financial Liabilities - Short Term Borrowings

(Rs in Lakh)

Particulars	(Rs in Lakh)	
	As at 31st March 2023	As at 31st March 2022
<b>Secured:</b>		
Current Maturities of Long Term Debt : Loan from Bank of Baroda (Refer Note No. 11.1)	3,448.00	6,896.38
<b>Total</b>	<b>3,448.00</b>	<b>6,896.38</b>

12.2 Current Financial Liabilities - Trade Payables

(Rs in Lakh)

Particulars	(Rs in Lakh)	
	As at 31st March 2023	As at 31st March 2022
(A) Micro, Small & Medium Enterprises	50.47	-
(B) Other than Micro, Small & Medium Enterprises		
(i) Contractor & Suppliers	9.01	13.85
(ii) Related Party - IRCON	3,249.62	9,278.02
<b>Total</b>	<b>3,309.10</b>	<b>9,291.87</b>

Notes:

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

Trade payables Ageing Schedule

(Rs in Lakh)

Particulars	Unbilled	Not Due	Outstanding for the year ended March 31, 2023 from the due date of payment				Total
			Less than 1 year	1-2 year	3 years	More than 3 year	
Total outstanding dues of micro enterprises and small enterprises	-	-	50.47	-	-	-	50.47
Total outstanding dues of creditors other than micro enterprises and small enterprises	9.01	-	3,249.62	-	-	-	3,258.63
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	-

(Rs in Lakh)

Particulars	Unbilled	Not Due	Outstanding for the year ended March 31, 2022 from the due date of payment				Total
			Less than 1 year	1-2 year	3 years	More than 3 year	
Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	13.85	-	9,278.02	-	-	-	9,291.87
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	-

12.3 Current Liabilities - Other Financial Liabilities

(Rs in Lakh)

Particulars	(Rs in Lakh)	
	As at 31st March 2023	As at 31st March 2022
Interest Payable on Advance from Client	-	749.09
Deposits, Retention money and Money Withheld - Related Party - IRCON	184.61	82.90
Interest Accrued on loan but not due *	14.72	10.49
Other Payables (including Staff Payable)	-	-
<b>Total</b>	<b>199.33</b>	<b>842.48</b>

\* Interest Accrued on loan but not due on term loan taken from Bank of Baroda



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Notes forming part of the financial statements for the year ended 31st March 2023

**13 Other Current Liabilities****(Rs in Lakh)**

<b>Particulars</b>	<b>As at 31st March 2023</b>	<b>As at 31st March 2022</b>
<b>a) Contract Liability</b>		
Advance from clients	-	-
<b>b) Other Advances</b>		
Advance from others	-	-
<b>c) Others</b>		
Statutory dues	32.70	225.15
<b>Total</b>	<b>32.70</b>	<b>225.15</b>

**Notes:**

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



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Notes forming part of the financial statements for the year ended 31st March 2023

**14 Revenue from Operations**

(Rs in Lakh)

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
Contract Revenue (Refer Note No. 31 & 33)	20,544.00	39,903.21
<b>Total</b>	<b>20,544.00</b>	<b>39,903.21</b>

**15 Other Income**

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
<b>Interest Income :</b>		
Interest on Staff Advances	0.19	-
Interest on Refund of Income-tax	32.35	49.95
Interest Income on Financial Assets	7,323.00	-
Interest Income on Mob Advance received provided to IRCON		40.97
Less : Interest Exp on Mob Advance received from NHAI	-	-39.27
Bank Interest		15.68
Less:- Interest Passed to Clients	-	-
<b>Others :</b>		
Other Miscellaneous Income	0.13	0.20
<b>Total</b>	<b>7,355.67</b>	<b>67.53</b>





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Notes forming part of the financial statements for the year ended 31st March 2023

**17 Employee Benefits Expenses**

(Rs in Lakh)

Particulars	Foot Note	For the year ended 31st March 2023	For the year ended 31st March 2022
Salaries, wages and bonus		107.32	134.00
Contribution to provident and other funds		10.49	9.92
Retirement Benefits		15.81	20.39
Staff Welfare		-	-
<b>Total</b>		<b>133.62</b>	<b>164.31</b>

**18 Finance Cost**

(Rs in Lakh)

Particulars	Foot Note	For the year ended 31st March 2023	For the year ended 31st March 2022
Interest Expense on Income Tax		27.72	0.03
Other Borrowing Cost			
- Bank Guarantee & Other Charges		0.25	3.33
Interest on Loan from IRCON		419.08	1,353.29
Interest on Loan from Bank of Baroda		4,449.48	2,848.45
Interest Exp on Mob Advance received from NHAI		175.17	-
<b>Total</b>		<b>5,071.70</b>	<b>4,205.10</b>

**19 Depreciation, amortization and impairment**

(Rs in Lakh)

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
Property, Plant and equipment	0.21	0.53
<b>Total</b>	<b>0.21</b>	<b>0.53</b>



Note: - 20

A. Fair Value Measurements

(i) Category wise classification of Financial Instruments

Financial assets and financial liabilities are measured at fair value in these financial statement and are grouped into three levels of a fair value hierarchy. The three Levels are defined based on the observability of significant inputs to the measurement, as follows

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

Level 2 Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3 Unobservable inputs for the asset or liability

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

Particulars	(Rs in Lakh)		
	Carrying Value	Fair Value	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	1.05	-	1.05
(iii) Other Financial Assets	93,273.71	-	93,273.71
Total	93,274.76	-	93,274.76

Particulars	(Rs in Lakh)		
	Carrying Value	Fair Value	Level 3
Financial Liabilities at Amortized Cost			
(i) Borrowings	72,412.00	-	72,412.00
(ii) Other Financial Liabilities	595.28	-	595.28
Total	73,007.28	-	73,007.28

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

Particulars	(Rs in Lakh)		
	Carrying Value	Fair Value	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	1.65	-	1.65
(iii) Other Financial Assets	84,210.31	-	84,210.31
Total	84,211.96	-	84,211.96





**b) Credit Risk**

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

**Trade and other receivable**

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

Particulars	As At 31.03.2023	As at 31.03.2022	(Rs in Lakhs)
<b>Financial Assets for which allowance is measured using Lifetime Expected Credit Losses (LECL)</b>			
Non Current Investments	0.45	-	-
Other Non Current Financial Assets	84,297.10	1.05	80,729.57
Current Investments	-	-	-
Cash and Cash Equivalents	3,362.47	113.70	113.70
Other Bank Balances	0.60	-	-
Current Loans	8,976.61	0.60	0.60
Other Current Financial Assets	-	3,480.74	3,480.74
<b>Financial Assets for which allowance is measured using Simplified Approach</b>			
Trade Receivables	11.75	233.35	233.35
Contract Assets	5,541.85	3,396.21	3,396.21
<b>Summary of change in loss allowances measured using Simplified approach</b>			
Particulars	As At 31.03.2023	As At 31.03.2022	As At 31.03.2022
Opening Allowances	-	-	-
Provided during the year	-	-	-
Utilization during the year	-	-	-
Amount written-off	-	-	-
Closing Allowances	-	-	-
<b>Summary of change in loss allowances measured using Lifetime Expected Credit Losses (LECL) approach</b>			
Particulars	As At 31.03.2023	As At 31.03.2022	As At 31.03.2022
Opening Allowances	-	-	-
Provided during the year	-	-	-
Utilization during the year	-	-	-
Amount written-off	-	-	-
(Exchange Gain)/ Loss	-	-	-
Closing Allowances	-	-	-







**d) Excessive risk concentration**

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

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

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

Particulars	(Rs in Lakh)	
	For the year ended 31.03.2023	For the year ended 31.03.2022
Revenue from Projects	30,544.00	39,903.21
	20,544.00	39,903.21

**C. Capital Management**

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

Dividends :- Particulars	(Rs in Lakh)	
	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 its financial covenants

**Debt Equity Ratio :-**

Particulars	(Rs in Lakh)	
	31-Mar-23	31-Mar-22
Borrowings (Note No. 11.1 & 12.1)	72,412.00	58,950.00
Long Term Debt	72,412.00	58,950.00
Equity (Note No. 9)	1,000.00	1,000.00
Other Equity (Note No. 10)	27,820.68	22,990.32
Total Equity	28,820.68	23,990.32
Debt Equity Ratio	2.51	2.46



**IRCON VADODARA KIM EXPRESSWAY LIMITED**

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Notes forming part of the financial statements for the year ended 31st March 2023

**21 Contingent liabilities and Contingent Assets:****(I) Contingent Liabilities:**

Disclosure of Contingent Liabilities as per Ind AS 37 'Provisions, Contingent Liabilities and Contingent Assets' are as under: (Rs in Lakh)

Particulars	Foot Note	As at 31st March 2022	Addition during the year	Claims settled/paid during the year	As at 31st March 2023
(a) Claims against the company not acknowledged as debts					
Disputed Indirect Tax Demands	1	-	8,594.87	-	8,594.87
(b) Guarantees excluding financial guarantee		-	-	-	-

**Foot Note :****1 Disputed Indirect Tax Demands**

The Company has received show cause cum demand notice from DGGI i.e. GST Authorities for which the Company is contesting the demand raised by GST authorities and are currently pending with DGGI i.e. GST authorities. Based on the grounds of submission as reply, the management believes that there is reasonable strong likelihood of succeeding before the authorities. Pending the final decision on the above, no adjustment has been made in the financial statements.

**(II) Contingent Assets: NIL****22 Commitments:**

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

**b) Other Commitments:**

Estimated amount of contracts remaining to be accounted for, on other commitments is Rs.3009.95 Lakh (Rs 17,331.48 Lakh).

**23**

(a) Balances with NHAI (Client) is subject to confirmation / reconciliation/ adjustment, if any. The Company has been sending letters for confirmation to parties. However, the Company does not expect any material dispute w.r.t. the recoverability/payment of the same.

(b) In the opinion of the management, the value of current assets, loans and advances on realization in the ordinary course of business, will not be less than the value at which these are stated in the balance sheet.

(c) TDS Receivable amount for the quarter ended 31<sup>st</sup> March, 2023 is subject to reconciliation as TDS Deductors have not filed their TDS returns whose due date is currently 31<sup>st</sup> May 2023.

**24**

(a) Foreign exchange recognised in the statement of profit and loss: NIL

(b) Disclosure of unhedged foreign currency exposure - NIL

(c) Earnings in foreign currency (on accrual basis) : NIL

(d) Expenditure in foreign currency (on accrual basis) : NIL

(e) CIF value of imports: NIL

(f) Material & store consumed: NIL

**25 Disclosure regarding Leases:****I. Company as a Lessee :**

The Company as a lessee has entered into lease contracts, which includes lease of office space. Before the adoption of Ind AS 116, the Company classified each of its leases (as lessee) at the inception date as an operating lease.

The Company also has certain leases of offices with lease terms of 12 months or less. The Company applies the 'short-term lease' recognition exemptions for these leases.

The Company's leasing arrangements are in respect of operating leases of premises for offices. Leasing arrangement is cancellable and is usually renewable on mutually agreed terms. The amounts of lease payments during the year are as under:

(a) Lease payments in respect of office premises Rs. 3.01 Lakh (Rs 2.97 Lakh) - (included in Project expenses Note 16).

**II. Company as a Lessor : NIL****26 Segment Reporting:****(i) General Information**

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

**(ii) Information about geographical information**

As the Company operates in a single geographical segment i.e. India hence no separate geographical segment is disclosed.

**(iii) Information about major customer**

Revenue of Rs. 20,544.00 Lakhs are derived from a single customer i.e. NHAI which is more than 10% of the Company's total revenue.



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Notes forming part of the financial statements for the year ended 31st March 2023

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

a) Enterprises where control exists:

(i) Holding Companies: -

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

b) Key management personnel:

Directors from IRCON: - Shri Ashok Kumar Goyal (date of cessation 10.10.2022), Ms Ritu Arora, Shri Parag Verma, Shri Masood Ahmad, Shri B Mugunthan (date of cessation 01.06.2022) and Sh Rohit Parmar (w.e.f. 01.06.2022)

Others: Shri Nitesh Kumar G Asati, Chief Executive Officer, Sh Raj Kumar, Chief Financial Officer, Ms. Arpita Basu Roy, Company Secretary (date of cessation 04.10.2022) and Ms Shivi Kapoor, Company Secretary (w.e.f. 21.11.2022)

Remuneration to Key management personnel are as under:

S.No.	Particulars	(Rs in Lakh)	
		2022-23	2021-22
I	Salary & allowances *	44.06	39.88
II	Contribution to provident fund, pension	6.24	5.65
III	Sitting fee	-	-
IV	Other benefits	15.50	11.85
	<b>TOTAL</b>	<b>65.80</b>	<b>57.38</b>

\* IronVKEL had Part-time Directors during the financial year 2022-23, nominated on the Board by the Holding Company, do not draw any remuneration from the Company. No sitting fee is paid to Part-time Directors.

(c) Related Party Transactions during the year ended 31st March, 2023

Particular	(Rs in Lakh)			
	Transactions During the F.Y 2022-23	Transactions During the F.Y 2021-22	Outstanding Amount as at 31.03.2023	Outstanding Amount as at 31.03.2022
Investment in Equity of IronVKEL by	-	-	1,000.00	1,000.00
Interest free advance provided by IRCON	2,656.00	4,341.00	19,574.00	16,918.00
Loan provided by IRCON to IronVKEL	-	-	-	-
Repayment of Loan by IronVKEL to IRCON	-	58,950.00	-	-
Unsecured loan provided by IRCON to IronVKEL	3,448.00	3,448.00	6,896.00	3,448.00
Interest paid/payable on Loan	419.08	1,353.29	395.95	18.77
Remuneration to Key Management	65.80	57.38	-	-
Work Expenses	19,438.72	27,223.64	3,248.38	9,265.33
Sale of Laptop	0.16	-	-	-
Reimbursement of PF/Pension contribution, Rent, BG charges, other expenses & staff advance etc to IRCON	59.08	65.48	1.25	12.69
Mobilisation advance provided to IRCON	-	-	-	-
Interest received/receivable on Mobilisation advance provided to IRCON	-	40.97	-	-

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

- (i) Transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions.  
(ii) Outstanding balances of related parties at the reporting date are unsecured and settlement occurs through banking transactions.

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



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Notes forming part of the financial statements for the year ended 31st March 2023

**29 Earnings Per Share**

Disclosure as per Ind AS 33 'Earnings per share'

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

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

Particulars	Note	For the year ended 31st March 2023	For the year ended 31st March 2022
Profit attributable to Equity holders (Rs.in Lakh)	(ii)	2,174.36	6,015.80
Weighted average number of equity shares for Basic and Diluted EPS	(iii)	1,00,00,000.00	1,00,00,000.00
Earnings per share (Basic)		21.74	60.16
Earnings per share (Diluted)		21.74	60.16
Face value per share			

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

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
Profit for the year as per Statement of Profit and Loss (Rs in Lakh)	2,174.36	6,015.80
Profit attributable to Equity holders of the company used for computing EPS:	2,174.36	6,015.80

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

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
Opening balance of issued equity shares	1,00,00,000.00	1,00,00,000.00
Equity shares issued during the year		
Weighted average number of equity shares for computing Basic EPS	1,00,00,000.00	1,00,00,000.00
<b>Dilution Effect:</b>		
Add: Weighted average numbers of potential equity shares outstanding during the year	-	-
Weighted average number of equity shares for computing Diluted EPS	1,00,00,000.00	1,00,00,000.00



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

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

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

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

**31 Disclosure under Ind AS-115 on Revenue from contracts with Customers<sup>A</sup>**

**(a) Disaggregation of Revenue**

Below is the disaggregation of the Company's revenue from contracts with customers:

(Rs in Lakh)

For the year ended March 31, 2023						
Type of goods or service	Railways	Highway	Electrical	Building	Others	Total
<b>Timing of satisfaction of performance obligation:</b>						
Over time	-	20,544.00	-	-	-	20,544.00
At a point in time	-	-	-	-	-	-
<b>Total</b>	-	20,544.00	-	-	-	20,544.00
<b>Method for measuring performance obligation:</b>						
Input method	-	20,544.00	-	-	-	20,544.00
Output method	-	-	-	-	-	-
<b>Total</b>	-	20,544.00	-	-	-	20,544.00
<b>Geographical markets:</b>						
Domestic	-	20,544.00	-	-	-	20,544.00
International	-	-	-	-	-	-
<b>Total</b>	-	20,544.00	-	-	-	20,544.00

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

**(b) The reconciliation of the revenue from contracts with customers with the amounts disclosed in the segment information:**

Revenue from Segment Reporting is Rs. 20,544.00 Lakh (Rs 39,903.21 Lakh).

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

**(d) Contract Balances:**

(Rs in Lakh)

Particulars	31-Mar-23	31-Mar-22
Trade Receivables (Note 6.1)	11.75	233.35
Contract Assets (Note 4.2 & 6.5)	89,838.76	84,125.77
Contract Liabilities (Note 13)	-	-

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

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



(Rs in Lakh)		
Particulars	31-Mar-23	31-Mar-22
Contract Assets at the beginning of the year	84,125.77	63,851.93
Contract Assets at the end of the year (Note 4.2 & 6.5)	89,838.76	84,125.77
Net Increase/(Decrease)	5,712.99	20,273.84

For the year 2022-23, there has been net increase by Rs 5,712.99 Lakh (Rs 20,273.84 Lakh) as compared to last year is due to recognition of revenue based on input method whereas bills for work done are certified based on contract condition after adjusting bill raised to Client.

**Change in accounting estimates related to Revenue Recognition in the year ended 31st March, 2022**

(Rs in Lakh)		
Particulars	Contract Assets as at 31.03.2023	Contract Assets as at 31.03.2022
Contract Assets balance at the beginning of the year	84,125.77	63,215.07
Transfers from the contract assets recognized at the beginning of the year to receivables	-14,831.01	-18,992.51
Revenue recognized during the year, to be invoiced	20,544.00	31,940.25
Changes as a result of cumulative catch-up adjustment arising from change in estimates	-	7,962.96
Contract Assets balance at the end of the year	89,838.76	84,125.77

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

(Rs in Lakh)		
Particulars	31-Mar-23	31-Mar-22
Contract Liabilities at the beginning of the year	-	4,662.50
Contract Liabilities at the end of the year (Note 13)	-	-
Net Increase/(Decrease)	-	-4,662.50

For the year 2022-23, There has been net decrease by Rs Nil Lakh (Rs 46,62.50 Lakh) as compared to last year are mainly due to advance payment received from client and after adjustment of advance payment from Client against works executed during the year.

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

(Rs in Lakh)		
Particulars	31-Mar-23	31-Mar-22
Unbilled revenue converted into trade receivable	14,831.01	18,992.51

(e) Revenue recognised in the period from:

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

(Rs in Lakh)		
Particulars	31-Mar-23	31-Mar-22
Amount received as Advance in Construction Contracts (Note 13)	-	-
Performance obligations satisfied in the previous year	-	6,361.03

(f). 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)

(g) Unsatisfied long-term contracts

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

(Rs in Lakh)		
Particulars	31-Mar-23	31-Mar-22
Aggregate amount of the transaction price allocated to long-term construction contracts that are partially or fully unsatisfied as at 31 March	44,396.58	24,429.44

Management expects that transaction price allocated to the unsatisfied contracts as of March 31, 2023 will be recognised as revenue in the future as follows:

(Rs in Lakh)		
Particulars	March 31, 2023**	March 31, 2022**
In one year or less	4,871.35	24,429.44
More than one year to 2 years	1,266.75	-
More than 2 years	38,258.48	-
<b>Total</b>	<b>44,396.58</b>	<b>24,429.44</b>

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



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

(Rs in Lakh)

Particulars	For the year 31st Mar 2023	For the year 31st Mar 2022
(a) 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, Small and Medium Enterprises	50.47	
* Interest due on above	Nil	
(b) the amount of interest paid by the Region in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;		
(c) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006	Nil	Nil
(d) the amount of interest accrued and remaining unpaid at the end of each accounting year;		
(e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.		

**33 Service Concession Arrangements**

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

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

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

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

The Company (IrcnVKEL) has entered into service concession arrangement with National Highway Authority of India (NHAI) dated 25 08 2018, in terms of which NHAI (the grantor) has authorized the company for construction, operation and maintenance of Vadodara Kim Expressway from (Sapna to Padra Section of Vadodara Mumbai Expressway) (Phase IA-Package II) from km 323.00 to km 355.00 (approx. 32 km) in the State of Gujarat by Eight-Laning thereof on design, build, finance, operate and transfer ("DBOT Annuity" or "Hybrid Annuity") and transfer basis. In terms of the said agreement IrcnVKEL has an obligation to complete construction of the project and to keep the project assets in proper working condition. The Project is under Annuity pattern.

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

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

**Disclosure in terms of Appendix D of Ind AS 115**

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

(Rs in Lakh)

Particular	For the year ended 31st March 2023	For the year ended 31st March 2022
Contract Revenue Recognized	20,544.00	39,905.21
Aggregate amount of Cost incurred	21,690.33	31,941.94
Amount of advance received from Client	-	-
Amount of retention by Client	2,118.38	84.53
Profit/( Loss) recognised during the period for exchange of construction service for a financial asset	-	-
Gross amount due from Client for Contract Works	11.75	233.35





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**Notes forming part of the financial statements for the year ended 31st March 2023**

**34 Covid 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.



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

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

- (i) The Company has no transactions with companies struck off under section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956 during the financial year ended 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 ended 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 the financial year ended 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 for the financial year ended 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 2021-22, the Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the funding party 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 for the financial year ended 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 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.
- (xi) The Company has not been declared as wilful defaulter by any bank or financial institution for the financial year ended 31st March 2023 and 31st March 2022.
- (xii) The 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.
- (xiii) The Company has complied with the number of layers prescribed under the Companies Act, 2013.
- (xiv) The Company have not entered into any schemes of arrangements during the year ending 31st March 2023 and period ending 31st March 2022.
- (xv) The Company does not have any transaction which is not recorded in the books of accounts that has been subsequently surrendered or disclosed as income during the year as part of the on going tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- (xvi) The Company has not received any grants and donations during the year ending 31st March 2023 and period ending 31st March 2022.
- (xvii) 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.



(vii) 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	2.99	0.73	309.66%	Increase in the Current Asset in Current year when compared with last year and reduction in Current liabilities in current year when compared with last year
Debt-equity ratio	Total Debt	Shareholder's Equity	2.51	2.46	2.25%	Not Applicable
Debt service coverage ratio	Earnings for debt service = Interest on debt + Lease Payments + Non-cash operating expenses + Interest + other adjustment	Debt service = Interest & Lease Payments + Principal Repayments	0.85	0.15	451.68%	The Company repaid the existing loan of IRCON through refinancing from Bank of Baroda in the last year and there is no refinancing in the current year, therefore ratio in current year is improved
Return on equity ratio	Net Profit after taxes - Preference Dividend	Average Shareholder's Equity	0.08	0.32	-74.25%	On the substantial construction progress, the Company included profit margin in the revenue in the year ended 31.03.2022 using cumulative catchup adjustment for the cost incurred upto 31.03.2022 whereas profit margin on cost incurred during the year ended 31.03.2023 is considered in the Revenue. Therefore, there is decline in the ratio
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	167.64	17.12	879.41%	Decrease in the Revenue from Operation and substantial decrease in the amount of Trade Receivables in Current year
Trade payable turnover ratio	Net credit purchases = Gross credit purchases - purchase return	Average Payables			NA	
Net capital turnover ratio	Net sales = Total sales - sales return	Working capital = Current assets - Current liabilities	1.48	-8.53	-117.37%	Increase in the Current Asset in Current year when compared with last year and reduction in Current liabilities in current year when compared with last year and decrease in the Revenue from Operation in Current year
Net profit ratio	Net Profit	Net sales = Total sales				On the substantial construction progress, the Company included profit margin in the revenue in the year ended 31.03.2022 using cumulative catchup adjustment for the cost incurred upto 31.03.2022 whereas profit margin on cost incurred during the year ended 31.03.2023 is considered in the Revenue. Therefore, there is decline in the ratio
Return on capital employed	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	0.11	0.15	-29.80%	Decrease in the Profit in Current year
Return on investment	Interest (Finance Income)	Investment	0.00	0.16	-97.12%	
					NA	



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36

**Corporate Social Responsibility Expenses (CSR)**

As per Section 135 of the Companies Act, 2013 read with guidelines issued by Department of Public Enterprises, GOI, 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**

Particulars	(Rs in Lakh)	
	For the year 31st Mar 2023	For the year 31st Mar 2022
Gross amount required to be spent by the Company during the year		54.02
Deposited and claimed in earlier years, now refunded		-
Amount approved by the Board to be spent during the year		54.02

**b) Amount spent on CSR Activities**

Particulars	For the year 31st Mar 2023			For the year 31st Mar 2022	
	Paid in cash	Yet to be paid	Total	Paid in cash	Yet to be paid
On Construction/acquisition of any asset*	2.38	50.87	53.25	-	-
On purposes other than above	0.77	0.09	0.86	-	-
<b>Total</b>	<b>3.15</b>	<b>50.96</b>	<b>54.11</b>	-	-

\*Assets purchased and handed over to respective organisation and are not being held by the Company.

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

Particulars	(Rs In Lakh)	
	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	0.37	-
Eradicating hunger, poverty & malnutrition, promoting preventive healthcare & sanitation & making available safe drinking water	53.34	-
Promoting Education, including special education and employment enhancing vocation skills especially among children.	0.40	-
Ensuring environmental sustainability	-	-
Setting up homes and hostels for women and orphans, Setting up old age homes, day care centres and such other Sports	-	-
Others (including Other Admin Cost)	-	-
<b>Total</b>	<b>54.11</b>	-

**d) Details related to unspent obligations:**

Particulars	(Rs In Lakh)	
	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	-	-



e) Details related to spent / unspent obligations:

Particulars	(Rs in Lakh)	
	For the year 31st Mar 2023	For the year 31st Mar 2022
Opening Balance	-	-
Gross amount required to be spent by the Company during the year (as per (a) above)	-	-
Amount spent by the Company during the year (as per (b) above)*	-	-
Shortfall/(Excess) amount spent by the company	-	-

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

f) Other disclosure:

Particulars	(Rs in Lakh)	
	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 expenditure as per relevant Accounting Standard (1)	NA	NA
Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision	NA	NA

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

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

38 Disclosure as required by Ind AS 8 'Accounting Policies, Changes in Accounting Estimates and Errors'

During the year the Company has changed the accounting policy related to "Depreciation". There is no impact on the profitability of the Company, and the revised accounting policy is as below and amendments are highlighted in Bold

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.

39 Recent pronouncement

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time on March 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 it 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 April 1, 2023. The Company has evaluated the amendment and there is no impact on its standalone financial statement.



**40 Other disclosures**

- (i) The Company has a system of obtaining periodic confirmation of balances from banks and other parties. 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)
- (iii) Figures rounded off to the nearest rupees in Lakh.

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

**As per our Report of even date attached**

**For Bhasin Raghavan & Co  
Chartered Accountants**

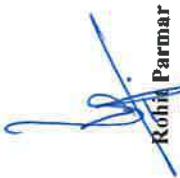
FRN : 000197N



**Vikram Singh  
Partner  
M. No. 093458**



**For and on behalf of Board of Directors  
Ircan Vadodara Kim Expressway Limited**



**Rohit Parmar  
Director  
DIN - 08190141**



**Masood Ahmad  
Director  
DIN - 09008553**

**Place : New Delhi**

**Date : 12.05.2023**

**Nitesh Kumar G Asati**

**CEO**



**Raj Kumar**

**CFO**



**Shivi Kapoor**

**CS**







भारतीय लेखापरीक्षा एवं लेखा विभाग  
महानिदेशक लेखापरीक्षा का कार्यालय  
रेलवे वाणिज्यक, नई दिल्ली  
**INDIAN AUDIT AND ACCOUNTS DEPARTMENT**  
**OFFICE OF THE DIRECTOR GENERAL OF AUDIT**  
**RAILWAY COMMERCIAL, NEW DELHI**



4, दीनदयाल उपाध्याय मार्ग, नई दिल्ली 4, Deen Dayal Upadhyaya Marg, New Delhi-110002

संख्या/पी.डी.ए/आर.सी/AA-IVKL/78-24 /2023-24/365

दिनांक: 6.08.2023

सेवा में,  
निदेशक,  
इरकॉन वडोदरा किम एक्सप्रेसवे लिमिटेड,  
सी-4, डिस्ट्रिक्ट सेंटर, साकेत,  
नई दिल्ली - 110 017.

महोदय,

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

में, इरकॉन वडोदरा किम एक्सप्रेसवे 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 |

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

संलग्न: यथोपरी

भवदीय,

(डॉ. नीलोत्पल 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 VADODARA KIM EXPRESSWAY LIMITED FOR THE YEAR ENDED 31 MARCH 2023.**

The preparation of financial statements of IRCON Vadodara Kim Expressway Limited for the year ended 31 March 2023 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) 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 conducted a supplementary audit of the financial statements of IRCON Vadodara Kim Expressway Limited for the year ended 31 March 2023 under Section 143(6)(a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the Statutory Auditor and is limited primarily to inquiries of the Statutory Auditor and company personnel and a selective examination of some of the accounting records.

Based on my supplementary audit, I would like to highlight the following significant matters under Section 143(6)(b) of the Act which have come to my attention and which in my view are necessary for enabling a better understanding of the financial statements and the related Audit Report:

**A. COMMENTS ON CASH FLOW STATEMENT**


**Cash Flow from Financing Activities**

**Interest Expense on Loan from Bank of Baroda Rs. 4853.85 lakh**

The 'Interest expenses' on the Loan from Bank of Baroda under the Cash flow from Financing activities have been shown as Rs. 4853.85 lakh instead of Rs. 4487.15 lakh. This has resulted in understatement of 'Cash Flow from Financing Activities' by Rs. 366.7 lakh and consequently overstatement of 'Cash Flow from Operating Activities' by the same amount.

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

Place: New Delhi  
Dated: /6.08.2023

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

IRCON VADODARA KIM EXPRESSWAY LIMITED

NOTE

Dated 21.08.2023

Sub : Reply to CAG final comments for the financial statements for the year ended 31.03.2023

Ref : CAG letter No. PDA/RC/ AA-IVKL/78-24 / 2023-24 /365 Dated 16.08.2023 (copy attached)

Background

CAG issued 08 Half margin. Subsequent to submission of our replies to CAG, CAG vide above referred letter dated 16.08.2023 issued one comment.

Current Status

Reply to CAG comments is as under :-

S No	CAG Comments	Reply from the Management of IrconVKEL
1	<p><b>COMMENTS ON CASH FLOW STATEMENT</b></p> <p><b>Cash Flow from Financing Activities</b></p> <p><b>Interest Expense on Loan from Bank of Baroda Rs. 4853.85 lakh</b></p> <p>The 'interest expenses' on the Loan from Bank of Baroda under the Cash flow from Financing activities have been shown as Rs. 4853.85 lakh instead of Rs. 4487.15 lakh. This has resulted in understatement of 'Cash Flow from Financing Activities' by Rs. 366.7 lakh and consequently overstatement of 'Cash Flow from Operating Activities' by the same amount.</p>	<p>We agree with the CAG comments for understatement of 'Cash Flow from Financing Activities' by Rs. 366.7 lakh and consequently overstatement of 'Cash Flow from Operating Activities' by the same amount.</p> <p>However, the above has not impacted the overall Net increase /decrease in Cash and Cash Equivalent of Statement of Cash Flow of the Company.</p> <p>The Management assures that the company will adhere to the computation &amp; disclosure as per the relevant provisions of Ind AS and to comply to the observation of CAG supplementary audit.</p>

CGM/Fin/Compl/IRCON vide e-mail dated 17.08.2023 has reviewed the above reply.

As per Item No 08/37 of 37<sup>th</sup> BoD meeting of IrconVKEL held on 01.08.2023 , "Mr. Masood Ahmad, or/and Mr. Rohit Parmar, Directors of the Company, be and are hereby authorized to update the comments if received from CAG and Management Reply thereto, if any, on the date of finalisation".

Proposal

The nominated Directors <sup>is</sup> are requested to approve the draft management reply to one CAG comments on the financial statements of IrconVKEL for the year ended 31.03.2023.

Submitted for approval please.

CEO/IrconVKEL

Director/IrconVKEL & CGM/Fin/Works/IRCON

  
21/08/23  
(Raj Kumar)  
CFO/IrconVKEL

  
21/8/23



**IRCON VADODARA KIM EXPRESSWAY LIMITED  
(‘IrconVKEL’)**

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**Registered & Corporate Office:**

**C-4, District Centre, Saket, New Delhi -110017, India  
Tel.: +91-11-29565666 | Fax: +91-11-26522000, 26854000  
E-mail id: csirconvkel@gmail.com**