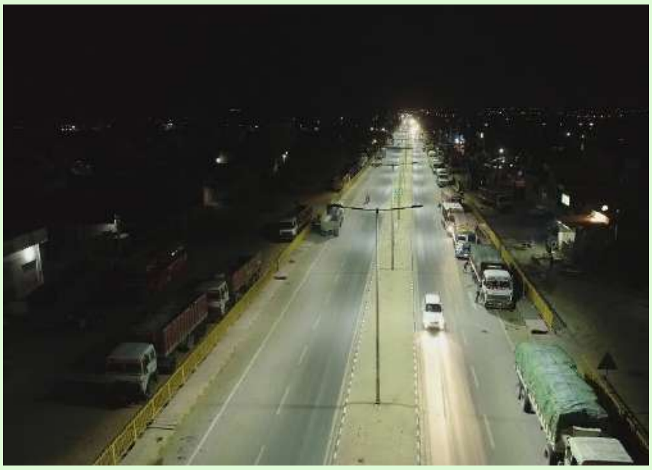
IRCON PB TOLLWAY LIMITED ('IrconPBTL')

(A Wholly-owned subsidiary of Ircon International Limited)

CIN: U45400DL2014GOI272220

SEVENTH (7TH) ANNUAL REPORT
FY 2020-21



HIGHWAY PROJECT PARTNERING IN INDIA'S GROWTH

VISION

To establish and steer the Company towards development of the Project Highway, the Bikaner- Phalodi Section on NH-15, in the State of Rajasthan and ensuring the users of the project highway are benefitted thereof and achieving higher revenues from the constructed toll plazas and making the Company stand at par in delivering the expected project output within the optimum time period.

MISSION

I. Constructing through site planning, scheduling of project activities, leveling and laying the land, installing systems for measuring quality of construction.

II. Responsibly monitoring the implementation and operationalization of the project.

III. Ensuring increased usage of highway over the tenure of concession by keeping a check on toll rates, enabling plying of more and more cars and commercial vehicles on the road, revising the toll rates based on effective traffic sampling.

IV. Curtailing costs and channeling resources into required areas.

CONTENTS

BOARD OF DIRECTORS

Shri Yogesh Kumar Misra
Chairman

Shri Ashok Kumar Goyal
Director

Shri B. Mugunthan
Director

Shri Masood Ahmad
Director

Ms. Ritu Arora
Director

IRCON PB TOLLWAY LIMITED

Reference Information

KEY MANAGERIAL PERSONNEL

Shri Raju Maruti Kambale	: Chief Executive Officer
Shri Sandip Kumar Bandyopadhyay	: Chief Financial Officer
Ms. Anuradha Kaushik	: Company Secretary

STATUTORY AUDITORS

A. N. Garg & Co.
Chartered Accountants

INTERNAL AUDITORS

H. K. Khanna & Co.
Chartered Accountants

SECRETARIAL AUDITORS

M/s Jayesh Parmar & Associates
Company Secretaries

COST AUDITORS

Ravi Sahni & Co.
Cost Accountants

BANKERS

Indian Overseas Bank, New Delhi

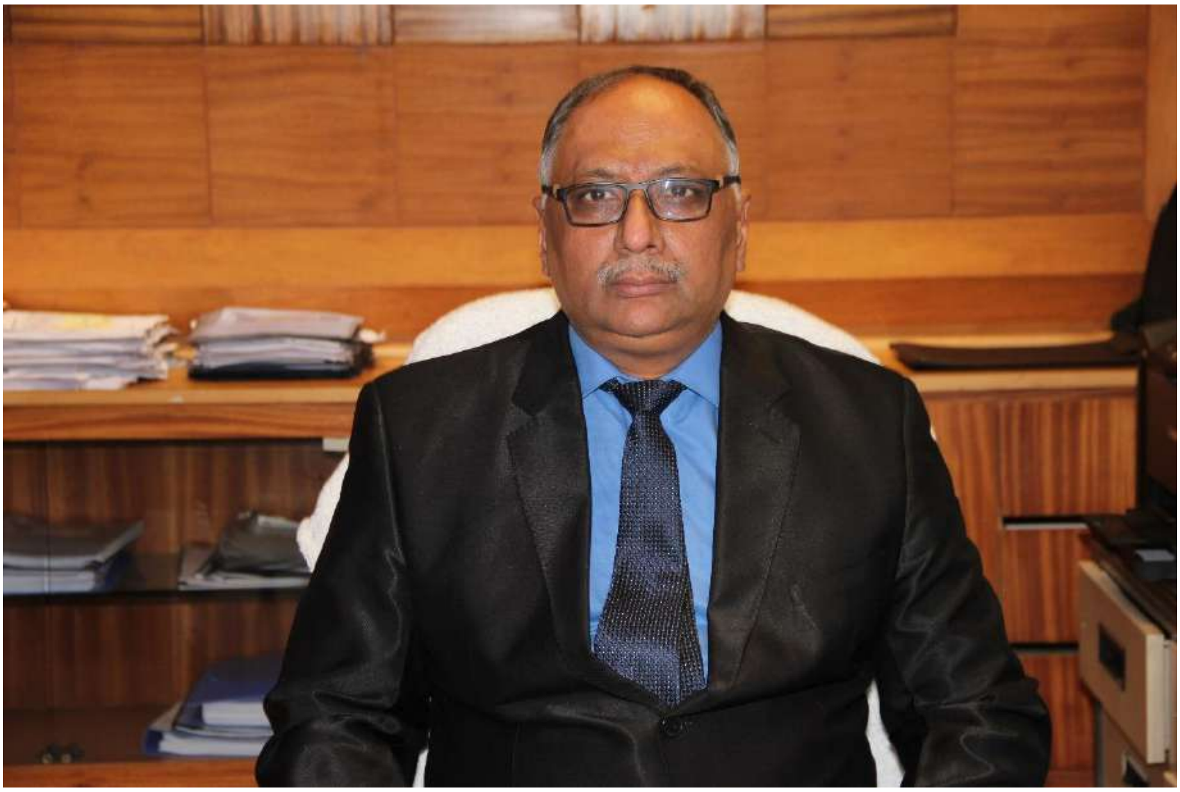
CONTACT PERSON

Ms. Anuradha Kaushik
Company Secretary
E-mail: anuradha@ircon.org

REGISTERED OFFICE

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

CHAIRMAN'S ADDRESS



Dear Shareholders,
At the outset, please accept my sincere wishes for the good health and safety of you and your loved ones. I am delighted to welcome you all at the Seventh (7th) Annual General Meeting of the Company. I would like to thank each one of you for making it convenient for joining this meeting.

About the Company
I would like to highlight to the esteemed members of this Company, that your Company entrusted with the execution of Bikaner-Phalodi Toll Road Project for Four-laning from km 4.200 to km 55.250 & Two-laning with paved shoulder from Km 55.250 to Km 163.500 of NH-15 on Build, Operate &Transfer (BOT) (Toll) basis in the State of Rajasthan and commenced its Commercial Tolling Operations from 20th February 2019.

The execution phase of the project has been completed and the project entered into Operation and Maintenance (O & M) Phase viz. Commercial Tolling Operations from the date of Provisional Commercial Operations Date ('Provisional COD'). The project has started generating revenue from the three operational toll plazas located at Salasar, Nokhra and Kheerwa in the form of toll income.

Financial Performance
Your Company, for the financial year ended 31st March 2021, has recognized revenue from operations viz. operating turnover of Rs.5486.00 Lakhs in terms of IndAS 115

“Revenue from Contract with Customers” including Construction Contract Revenue under Service Concession Arrangement (SCA) in its statement of profit and loss.

The Company has incurred a Net Loss before tax of Rs.1309.00 Lakhs and Net Loss after tax of Rs.2138 Lakhs for the financial year ended 31st March 2021- due to project and other expenditure booked on account of works contract expenses incurred for the financial year ended 31st March 2021.

Further, the Comptroller and Auditor General of India (‘CAG’) has issued NIL Comments on the Financial Statements for the financial year ended 31st March, 2021.

Compliances and Disclosures

Compliances and Disclosures under the Companies Act, 2013 and its associated rules thereunder are fully being adhered to. Further, being incorporated as Special Purpose Vehicle (SPV) of Ircon International Limited (i.e., Holding Company), the Company is exempted from complying with the Guidelines on Corporate Governance, issued by the Department of Public Enterprises (DPE).

Acknowledgement

I render sincere thanks and gratitude to the Ministry of Road Transport & Highways, Government of India, Holding Company, Ircon International Limited, Board Members, Auditors of the Company and the valued client of the Company i.e., NHAI for continuous support and cooperation extended to the Company and lending the financial and administrative support. I am also thankful for the whole-hearted support of the Banks, Comptroller & Auditor General of India (C&AG), Statutory Auditors, Cost Auditors and Secretarial Auditors. I, also sincerely place my appreciation for the good work done by all the employees at all levels of the Company.

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

For and on behalf of
Ircon PB Tollway Limited

Sd/-
(Yogesh Kumar Misra)
Chairman
DIN:07654014

Board's Report
FY: 2020-21

BOARDS' REPORT

Dear Members,

The Directors have immense pleasure in presenting the **7th Annual Report** and the Audited Financial Statements of the Company for the year ended March 31,2021.

1. **BUSINESS OPERATIONAL HIGHLIGHTS:**

Ircon PB Tollway Limited (IrconPBTL), a wholly owned subsidiary of IRCON, was incorporated as a Special Purpose Vehicle on September 30, 2014, and has obtained approval for Commencement of Business on November 14, 2014. The main object of IrconPBTL is to carry on the business of widening and strengthening of the existing Bikaner & Phalodi Section to four lane from 4.200 km to 55.250 km and two Lane with paved shoulder from 55.250 km to 163.500 km of NH-15 on Build, Operate and Transfer (BOT) (Toll) basis in the State of Rajasthan, in accordance with the terms of the Concession Agreement signed with National Highways Authority of India (NHAI) on November 7, 2014. Total approved cost of the project is ₹844.08 Crore and EPC cost has been revised from ₹646.00 Crore to ₹767.48 Crore. The concession period of the project is 26 years excluding construction period of 910 days (30 months) commencing from the appointed date i.e., 14th October 2015.

The total length of road constructed is 159.17 km and in equivalent 2 lane is 210.22 km (Four laning: 51.05 km and two laning: 108.12 km). Out of 159.17 Km, the provisional certificate of completion for 156.650 Km has been issued by NHAI on February 15, 2019, for commencement of tolling operations at all three toll plazas located at Salasar, Nokhra in Bikaner District and Kheerwa in Jodhpur District, Rajasthan. The Construction works at the Bikaner-Phalodi Project have been completed.

The project has thereby entered into commercial operations and started earning toll income at the three toll plazas.

As on 31st March 2021, the Authorized Equity Share Capital of the Company stands at Rs.175 Crores and the Paid-up Equity Share Capital stands at Rs.165 Crores. The Debt Capital (Long Term Borrowings) stands at the value of Rs.336 Crores from Ircon International Limited (holding company).

Toll Revenue

The revenue collection from three toll plazas located at Salasar, Nokhra in Bikaner District and Kheerwa in Jodhpur District, Rajasthan is in progress from the following dates:

Toll / Corridor Name	Date of Toll Revenue Started	Toll collection during the FY 2020-21(in Cr)
Salasar (TP – 1)	20.02.2019	21.27
Nokhra (TP – 2)	22.02.2019	14.61
Kheerwa (TP – 3)	24.02.2019	7.14
	Total	**43.02**

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 2020-21 as per Indian Accounting Standards (IND AS).

Financial performance indicators as on 31st March 2021:

(Amount in Rs. In Lakh)

Sl. No.	Particulars	For the Year Ended 31.03.2021	For the Year Ended 31.03.2020
1.	Equity Share Capital	16500	16500
2.	Other Equity (includes Reserves and Surplus)	(3676)	(1538)
3.	Net Worth	12824	14962
4.	Borrowings	33600	37929
5.	Intangible Assets under Development	-	1694
6.	Total Assets and Liabilities	50934	59417
7.	Revenue from Operations	5486	7040
8.	Other Income	44	033
9.	Total Income	5530	7073
10.	Operating Cost	6825	8781
11.	Other Expenses	14	008
12.	Profit / Loss Before Tax	(1309)	(1716)
13.	Provision for Taxation	829	001
14.	Profit/(Loss) After Tax	(2138)	(1717)
15.	Balance of Profit/loss for earlier years	(1538)	181
16.	Balance carried forward	(3676)	(1538)

3. DIVIDEND & APPROPRIATION TO RESERVE:

The Board of Directors does not recommend any dividend for the financial year 2020-21.

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 negative balance of Rs. -3676 Lakhs in Retained Earnings as on March 31, 2021.

4. SHARE CAPITAL/ DEMATERIALISATION:

The Authorized Share Capital and the Paid-up Share Capital of the Company as on 31st March 2021 is Rs.175 Crores comprising of 17,50,00,000 Equity Shares of Rs.10/- each and Rs.165 Crores comprising of 16,50,00,000 Equity Shares of Rs.10/- each respectively. During the year under review, there was no change in the share capital of your Company, and Ircon International Limited (IRCON) continues to hold 100% paid-up share capital of IrconPBTL.

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

5. CASH FLOWS FROM THE PROJECT:

The total -Cash Flows from the project activities during the year is Rs.7961 Lakhs.

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. **IMPACT OF COVID-19:**

Due to COVID-19 pandemic 1st wave and lockdown instructions issued by the Government of India tolling operation was suspended for the period from 26.03.2020 to 19.04.2020. Due to this lockdown, toll collection was adversely affected resulting into reduction in revenue.

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

8. **BOARD OF DIRECTORS & KEY MANAGEMENT PERSONNEL:**

Board of Directors:

CATEGORY & NAME OF THE DIRECTORS WITH DESIGNATION DURING THE YEAR 2020-21

As per Articles of Association of the Company, the Board of the Company is appointed by the holding company, IRCON. During the FY 2021, Company's management is headed by the following Non-Executive (Nominee) Directors.: -

Category, Name & Designation	DIN	Appointment or Cessation (during the year, if any)
Shri Shyam Lal Gupta, Chairman	07598920	**-**
Shri Ashok Kumar Goyal, Director	05308809	**-**
Shri Rajendra Singh Yadav, Director	07752915	Ceased to be Director on 31.10.2020
Ms. Bhuvaneshwari Krishnan, Director	07486148	Ceased to be Director on 23.12.2020
Shri Mugunthan Boju Gowda, Director	08517013	Appointed as Director w.e.f. 23.12.2020

However, after the closure of the Financial Year, Shri Shyam Lal Gupta ceases to be Chairman w.e.f. 13.05.2021 and Shri Yogesh Kumar Misra was appointed as Chairman and Ms. Ritu Arora as the Director of the Company w.e.f. 13.05.2021.

The Board placed on record its appreciation for their valuable contribution and guidance & support given by Shri Shyam Lal Gupta, Shri Rajendra Singh Yadav and Ms. Bhuvaneshwari Krishnan during their tenure as Directors of the Company.

The table below shows attendance of the Board members at the Board Meetings held during the FY 2020-21 and their attendance in the last Annual General Meeting (AGM):

Name of Director	Meeting Date							Total Meetings held during the tenure	No. of Meetings attended	% Of Attendance
	18.05.2020	24.06.2020	19.08.2020	23.10.2020	09.11.2020	09.02.2021	25.03.2021			
Shri Shyam Lal Gupta	✓	✓	✓	✓	✓	✓	✓	7	7	100
Shri Ashok Kumar Goyal	✓	✓	✓	✓	✓	✓	✓	7	7	100
Shri Rajendra Singh Yadav (upto 31.10.2020)	✓	✓	✓	✓	N.A.	N.A.	N.A.	4	4	100
Ms. Bhuvaneshwari Krishnan (upto 23.012.2020)	✓	✓	✓	✓	✓	N.A.	N.A.	5	5	100
Shri B. Mugunthan (w.e.f. 23.12.2020)	N.A.	N.A.	N.A.	N.A.	N.A.	L/A	✓	2	1	50

N.A.- Not a director on said date.
L/A - Leave of absence

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 Key Managerial Personnel of the Company during the year 2020-21 are– Shri Atul Kumar CEO (upto 18.03.2021); Shri Raju Maruti Kambale, CEO (w.e.f. 18.03.2021); Shri Manjur Mohammad Gouri, CFO (upto 11.08.2020); Ms. Meenakshi Garg, CFO (w.e.f. 11.08.2020) and Ms. Anuradha Kaushik, CS.

After the closure of the Financial Year, Shri Nagendra Joshi was appointed as CFO of the Company w.e.f. 01.07.2021 till 03.08.2021 in place of Ms. Meenakshi Garg. Further, w.e.f. 03.08.2021, Shri Sandip Kumar Bandyopadhyay is CFO of the Company in place of Shri Nagendra Joshi.

9. **Board Meetings:**

During the FY 2020-21, the Board met Seven (7) times on 18.05.2020, 24.06.2020, 19.08.2020, 23.10.2020, 09.11.2020, 09.02.2021 and 25.03.2021. The interval between the Board Meetings was within the period prescribed under the Companies Act, 2013. The attendance detail of the Board Meetings is as follows:

Date of The Meeting	Board Strength	No. of Directors Present
18.05.2020	4	4
24.06.2020	4	4
19.08.2020	4	4
23.10.2020	4	4
09.11.2020	3	3
09.02.2021	3	2
25.03.2021	3	3

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

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

Accordingly, IrconPBTL, an unlisted public company and a wholly-owned subsidiary company of IRCON, 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 OM dated July 8-10, 2014 read with OM dated July 11, 2019, CPSE's constituted as Special Purpose Vehicle (SPV) are exempted from compliance with the DPE Guidelines on Corporate Governance for CPSEs.

11. DIRECTORS' RESPONSIBILITY STATEMENT:

The Board of Directors of the Company confirms:

a) that in the preparation of the annual financial statements for the year ended 31st March 2021, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;

b) that such accounting policies have been selected and applied consistently and judgment and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year March 31, 2021 and of the Profit 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) those proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

12. 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.

13. AUDITORS:

Statutory Auditor:

M/s A. N. Garg & Company, Chartered Accountants, had been appointed as Statutory Auditors of the Company for the Financial Year 2020-21 vide CAG letter dated 18.08.2020. 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 have appointed M/s Ravi Sahni & Co., Cost Accountants, as Cost Auditor of the Company for the Financial Year 2020-21 for conducting the audit of cost records maintained by the Company as per the applicable Rules / Guidance Note, etc.

Pursuant to the provisions enumerated under Section 148 of the Companies Act, 2013 read with Companies (Cost Records and Audit) Rules, 2014 and Companies (Audit and Auditors) Rules, 2014 for turnover on account of Ind AS Applicability, such accounts and records are made and maintained by the Company.

Secretarial Auditor:

The Board of Directors have appointed M/s Jayesh Parmar & Associates, Company Secretary, as Secretarial Auditor of the Company for the FY 2020-21.

Internal Auditor:

The Board of Directors appointed M/s H. K. Khanna & Co., Chartered Accountants as Internal Auditors for the FY 2020-21, to conduct the Internal Audit of the Company.

14. **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.

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

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

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

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

A. **Conservation of energy: -**

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

B. **Technology absorption: -**

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

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

There was no Foreign Exchange Earnings and Foreign Exchange Outgo during the year 2020-21.

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:**

The requirement of constituting Corporate Social Responsibility (CSR) Committee pursuant to Section 135 of the Companies Act, 2013 is not applicable to the Company.

19. **PARTICULARS OF EMPLOYEES:**

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

IrconPBTL 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 2020-21.

21. PUBLIC DEPOSITS:

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

22. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has adequate system of internal financial controls with reference to financial statements. All the transactions were properly authorized, recorded and reported to the Management. The Company is following all the applicable Accounting Standards for properly maintaining the books of account and reporting in the financial statements. Your Company continues to ensure proper and adequate systems and procedures commensurate with its size and nature of its business.

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

No order has passed by the Regulators or Courts or Tribunals impacting the going concern status of the Company and its operations in future during the FY 2020-21.

24. COMPLIANCE OF MSME GUIDELINES FOR IMPLEMENTATION OF PURCHASE PREFERNCE POLICY

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

During the FY 2020-21, your Company has procured items valuing Rs.0.37 lakhs vis-à-vis total annual procurement target of Rs.0.30 lakhs.

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

There were no complaints of sexual harassment pending at the beginning or received by the Company during the year under review.

After, the closure of the year, the Company has adopted the 'Policy for Prevention, Prohibition and Redressal of Sexual Harassment at Workplace' of IRCON (POSH Policy) formulated by the Holding Company. The Internal Complaints Committee (ICC) of IRCON as per the POSH Policy, at the Corporate Office as well as the nearest project office of IRCON, shall be the ICC under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 to deal with all the matters under POSH Act.

26. VIGIL MECHANISM:

The provisions of Section 177(9) of the Companies Act, 2013 relating to establishing of Vigil mechanism are not applicable to Company.

27. RIGHT TO INFORMATION:

During the financial year 2020-21, your company has not received any application under the Right to Information Act 2005.

28. PERFORMANCE EVALUATION OF BOARD MEMBERS:

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

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

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

29. SECRETARIAL STANDARDS

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

30. STATUTORY AUDITORS' REPORT AND C&AG COMMENTS

The reports of the Statutory Auditors on the Financial Statements for FY 2020-21 with nil observation are attached separately as part of the Annual Report along with NIL comments from Comptroller & Auditor General (C&AG) of India for the FY 2020-21.

31. 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.

32. MEMORANDUM OF UNDERSTANDING (MoU):

Department of Public Enterprises has granted exemption to your Company from signing of MoU with IRCON (Holding Company) for the Financial Year 2020-21 in terms of the DPE MoU guidelines.

33. ANNEXURES TO THIS REPORT:

(I) Extract of Annual Return:

The extract of Annual Return in Form MGT-9 pursuant to Section 92(3) of the Companies Act, 2013 read with Rule 12 of Companies (Management and Administration) Rules, 2014 is appended as **Annexure–1** forming part of this report.

(II) Compliance Certificate by CEO & CFO:

The compliance certificate duly signed by CEO & CFO was placed before the Board of Directors meeting held on 15.06.2021 and the same is placed as **Annexure-2.**

(III) Particulars Of Contracts or Arrangements with Related Parties:

During the year, the related party transactions were with the holding company, IRCON and 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 – 3**.

(iv) Secretarial Audit Report:

The “Secretarial Audit Report” from the secretarial auditor in Form MR-3 as required under section 204 of the Companies Act, 2013 read with rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is placed as **Annexure-4**.

ACKNOWLEDGEMENT:

We thank Ircon International Limited, Auditors and our valued client- National Highway Authority of Indian for their support, and look forward to their continued support in the future.

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

For and on behalf of Board of Directors
of Ircon PB Tollway Limited

sd/-
Yogesh Kumar Misra
Chairman
DIN: 07654014

Place: New Delhi
Date: 10.08.2021

ANNEXURE – 1

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
AS ON FINANCIAL YEAR ENDED ON 31.03.2021

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

I. REGISTRATION & OTHER DETAILS:

1.	**CIN**	U45400DL2014GOI272220
2.	**Registration Date**	30th September 2014
3.	**Name of the Company**	Ircon PB Tollway Limited
4.	**Category/Sub-category of the Company**	Government Company (Wholly-owned Subsidiary Company of Ircon International Limited)
5.	**Address of the Registered office & contact details**	C-4, District Centre, Saket, New Delhi -110017
6.	**Whether Listed or Unlisted Company**	Unlisted Company
7.	**Name, Address & contact details of the Registrar & Transfer Agent, if any.**	Not Applicable

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY: (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

S. No.	Name and Description of Main Products / Services	NIC Code of the Products/Services	% to Total Turnover of the Company
1.	Rendering Services in the nature of construction of Project Highway on Bikaner-Phalodi Section (NH-15) in the State of Rajasthan: Construction Services: Highway Project (Through EPC Contractor)	42101	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

S. NO.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY / ASSOCIATE	% of Shares held	Applicable Section
1	IRCON INTERNATIONAL LIMITED	L45203DL1976GOI008171	Holding Company	100% *	Sec 2(46)

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

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

A) CATEGORY-WISE SHARE HOLDING:

Category of Shareholders	No. of Shares held at the beginning of the year [as on 01.04.2020]				No. of Shares held at the end of the year [as on 31.03.2021]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	-	-	-	-	-	-	-	-	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.**#**	Nil	165000000	165000000	100%	Nil	165000000	165000000	100%	Nil
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
(2) Foreign	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoters (A)	**Nil**	**165000000**	**165000000**	**100%**	**Nil**	**165000000**	**165000000**	**100%**	**Nil**
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):	-	-	-	-	-	-	-	-	-
2. Non-Institutions									
a) Bodies Corp.	-	-	-	-	-	-	-	-	-
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-

Category of Shareholders	No. of Shares held at the beginning of the year [as on 01.04.2020]				No. of Shares held at the end of the year [as on 31.03.2021]				Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	-
c) Others (specify)	-	-	-	-	-	-	-	-	-
Non-Resident Indians	-	-	-	-	-	-	-	-	-
Overseas Corporate Bodies	-	-	-	-	-	-	-	-	-
Foreign Nationals	-	-	-	-	-	-	-	-	-
Clearing Members	-	-	-	-	-	-	-	-	-
Trusts	-	-	-	-	-	-	-	-	-
Foreign Bodies – D R	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):	-	-	-	-	-	-	-	-	-
Total Public Shareholding (B)=(B)(1) + (B)(2)	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	**Nil**	**165000000**	**165000000**	**100%**	**Nil**	**165000000**	**165000000**	**100%**	**Nil**

 # Bodies Corporate: 100% Shareholding is with Body Corporate – Ircon International Limited and its 7 Nominees.

B) SHAREHOLDING OF PROMOTERS:

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% Change in Shareholding during the Year
		No. of Shares	% of Total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of Total Shares of the company	% of Shares Pledged / encumbered to Total Shares	
1	Ircon International Limited $	165000000	100%	Nil	165000000	100%	Nil	Nil
	Total	165000000	100%	Nil	165000000	100%	Nil	Nil

$ Shareholding of Promoters: Company is wholly-owned subsidiary of Ircon International Limited – with 16,50,00,000 Equity Shares of ` 10/- each i.e., Entire Shareholding held by Indian Promoters. The other 7 shareholders are holding shares "for and on behalf of Ircon International Limited".

* 100 shares held BY Shri Basant Kumar, Nominee Shareholder on behalf of IRCON were transferred to Shri B. Mugunthan, Nominee Shareholder on behalf of IRCON.

* 100 shares held BY Shri Rajendra Singh Yadav, Nominee Shareholder on behalf of IRCON were transferred to IRCON.

C) CHANGE IN PROMOTERS' SHAREHOLDING:

S. No.	Particulars	Shareholding at the beginning of the Year*		Cumulative Shareholding during the Year*	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1.	At the Beginning of the Year	16,50,00,000	100%	16,50,00,000	100%
2.	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g., allotment /transfer / bonus/ sweat equity etc.):	NIL			
3.	At the End of the Year	16,50,00,000	100%	16,50,00,000	100%

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

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

E) SHAREHOLDING OF DIRECTORS & KEY MANAGERIAL PERSONNEL:

Shareholding of Each Director(s) and Each Key Managerial Personnel (KMP)	Shareholding at the beginning of the FY 2020-21		Cumulative Shareholding during the FY 2020-21	
	No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
At the Beginning of the Year	NIL			

Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g., allotment / transfer / bonus/ sweat equity etc.):	
At the End of the Year	

$ 100 equity shares of Rs.10 each held by Shri Yogesh Kumar Misra, Shri Ashok Kumar Goyal and Shri B. Mugunthan, Directors of the Company "For and on behalf of Ircon International Limited (IRCON)."

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

(Amount in Rs.)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount		4,17,22,00,000		4,17,22,00,000
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)		**4,17,22,00,000**		**4,17,22,00,000**
Change in Indebtedness during the financial year				
* Addition		-		-
* Reduction		81,22,00,000		81,22,00,000*
Net Change		81,22,00,000		81,22,00,000
Indebtedness at the end of the financial year				
i) Principal Amount		3,36,00,00,000		3,36,00,00,000
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)		**3,36,00,00,000**		**3,36,00,00,000**

**** During the FY 2020-21, an amount of Rs.81,22,00,000/- was repaid to IRCON.***

V. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

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

SN.	Particulars of Remuneration @	Name of MD / WTD / Manager				Total Amount
		-----	----	----	---	
1.	Gross salary					
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-	-
2.	Stock Option	-	-	-	-	-
3.	Sweat Equity	-	-	-	-	-

4.	Commission - as % of profit - others, specify…	-	-	-	-	-
5.	Others, please specify	-	-	-	-	-
	Total (A) $	**NIL**				
	Ceiling as per the Act	**NOT APPLICABLE**				

B. REMUNERATION TO OTHER DIRECTORS:

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

@ All the Part-Time Directors during the Financial Year 2020-21 are nominated on the Board of the Holding Company; do not draw any remuneration from the Company. No sitting fee is paid to the Part-Time Directors.

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

(Amount in Rs.)

S. NO.	**Particulars of Remuneration**	**Key Managerial Personnel**					
		CEO		**Company Secretary**	**CFO**		**Total**
		Shri. Atul Kumar (upto 18.03.2021)	**Shri Raju Maruti Kambale* (w.e.f. 18.03.2021)**	**Ms. Anuradha Kaushik**	**Shri Manjur Mohammad Gouri (upto 11.08.2020)**	**Ms. Meenakshi Garg (w.e.f. 11.08.2020)**	
1	Gross Salary						
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	39,78,038	Nil	552,406	554,849	1,298,185	**6,383,478**
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-	-	**-**
	(c) Profits in lieu of salary under section	-	-	-	-	-	**-**

	17(3) Income-tax Act, 1961						
2	Stock Option	-	-	-	-	-	-
3	Sweat Equity	-	-	-	-	-	-
4	Commission	-	-	-	-	-	-
	- as % of profit	-	-	-	-	-	-
	others, specify…	-	-	-	-	-	-
5	Others, please specify	-	-	-	-	-	-
	Total	**39,78,038/-**	**Nil**	**552,406**	**554,849**	**1,298,185**	**6,383,478**

** Shri Raju Maruti Kambale was deputed as CEO w.e.f 18th March 2021 by IRCON (Holding Company) and for the month of March the salary was paid from the Holding Company.*

VI. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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

For and on behalf of the Board of Directors

Sd/-

(Yogesh Kumar Misra)
Chairman
(DIN: 07654014)

Place: New Delhi
Date: 10.08.2021

Annexure-2

CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION

We have reviewed the Financial Statements including the Balance Sheet, Statement of Profit & Loss and the Cash Flow Statement for the Financial Year 2020-21 and to the best of our knowledge and belief:

(i) These statements do not contain any materially untrue statement or omit any material fact or contain statement that might be misleading;

(ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

(iii) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal, or violative of the Company's General Code of Conduct as agreed to be followed by the Directors and Senior Management of the Company.

(iv) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting. We have disclosed to the Auditors deficiencies in the design or operation of such internal controls of which we are aware and the steps we have taken or propose to rectify these deficiencies.

(v) We have indicated to the Auditor any changes in Accounting Policies that may have been affected during the year, and that the same have been disclosed in the Notes to the Financial Statements; and

(vi) There was no instance of fraud of which we are aware nor there has been involvement of the Management or an employee having a significant role in the Company's internal control system over financial reporting.

Sd/-
Raju Maruti Kambale
Chief Executive Officer (CEO)

Sd/-
Meenakshi Garg
Chief Financial Officer (CFO)

Dated: 14.06.2021

ANNEXURE -3

FORM NO. AOC-2

Form for Disclosure of particulars of contracts / arrangements entered by the Company with related parties referred in section 188 (1) of the Companies Act, 2013, including certain arms-length transactions under third proviso thereto

[Pursuant to Section 134 (3)(h) of the Companies Act, 2013, read with Rule 8(2) of the Companies (Accounts) Rules, 2014]

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

S. No.	Nature of contracts/ arrangement/ transactions	Duration of the contracts/ arrangement/transactions	Salient terms of the Contracts/ Arrangements/ Transactions including the value, if any	Date(s) of approval by the Board, if any:	Amount paid as advances, if any:
1.	**Lease Agreement*** (To take on lease Company Registered Office from Ircon International Limited)	**Date:** Lease Agreement dated 22.06.2018, 10.06.2020 and 18.03.2021 (Renewal) **Duration:** 3 years w.e.f. 01.04.2018	Lease rent @ 65 sq. ft. X Rs.297/- per sq. ft. on monthly rent of Rs.19,305/- plus GST as applicable and increment of 10% on renewal.	N.A.	NIL (as on date)

** Lease agreement with IRCON has been renewed w.e.f. 01.04.2021 till 31.03.2023 @ Rs.21,236/- p.m. plus GST.*

For and on behalf of Board of Directors
of Ircon PB Tollway Limited

sd/-
(Yogesh Kumar Misra)
Chairman
DIN-07654014

Place: New Delhi
Date: 10.08.2021

Annexure-4

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANICAL YEAR ENDED 31ST MARCH, 2021

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

To

The Members,
M/s. IRCON PB TOLLWAY LIMITED
Regd. Office: C-4, District Centre, Saket
New Delhi-110017

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate governance practice by IRCON PB TOLLWAY LIMITED having CIN: U45400DL2014GOI272220 (hereinafter called “the Company”). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the Company’s Books, Papers, Minutes Books, Forms and Returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the financial year ended 31st March, 2021, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2021 according to the provisions of:

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

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

We report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors and Non-Executive Directors. The changes in the composition of the Board of

Directors that took place during the year under review were carried out in compliance with the provisions of the Act.

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

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

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

For Jayesh Parmar & Associates
Company Secretaries

Sd/-
Jayesh Parmar
(Proprietor)
ACS No.:27055
C.P No.:15007
UDIN: A027055C000430414

Place: New Delhi
Date: 7th June 2021

Note: Due to Covid-19, we were not able to physically verify the records and returns of the Company and this report is being issued on the basis of soft/scan copies of documents as per the guidelines issued by the ICSI.

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

Annexure A

To

The Members
M/s. IRCON PB TOLLWAY LIMITED

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

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express as opinion on these secretarial records based on our audit.

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

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

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

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

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

For Jayesh Parmar & Associates
Company Secretaries

Sd/-
Jayesh Parmar
(Proprietor)
ACS No.:27055
C.P No.:15007
UDIN: A027055C000430414

Place: New Delhi
Date: 7th June 2021

INDEPENDENT AUDITOR'S REPORT

To The Members IRCON PB Tollway Ltd

Report on the Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying Standalone Ind AS financial statements of IRCON PB Tollway Ltd ("the Company"), which comprise the Balance Sheet as at March 31, 2021, 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 Standalone Ind AS financial statements including a summary of significant accounting policies and other explanatory information hereinafter referred to as "Standalone Ind AS Financial Statements"). In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone 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 accounting principles generally accepted in India including the Indian Accounting Standards ("Ind AS"), of the state of affairs of the Company as at March 31, 2021, its profit including other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone 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 ethical requirements that are relevant to our audit of the Standalone Ind AS financial statements under the provisions of the Act and Rules there under and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Ind AS financial statements of the current period. These matters were addressed in the context of our audit of the Standalone 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 the matter described below to be the key audit matter to be communicated in our report:

A.N. GARG N. DELHI CHARTERED ACCOUNTANTS

Modified Audit Procedures carried out in light of COVID-19 outbreak:

Due to COVID-19 pandemic, Nationwide lockdown and travel restrictions imposed by Central / State Government / Local Authorities during the period of our audit and to facilitate carrying out Audit remotely wherever physical access was not possible, audit could not be conducted by visiting the premises of certain Branches/LHOS/ Business Units in the Corporate Office of the Company.

As we could not gather audit evidence in person/physically through discussion and personal interactions with the officials at the Branches/Circle Administrative /Corporate Offices, we have identified such modified audit procedures as a Key Audit Matter.
Accordingly, our audit procedures were modified to carry out the audit remotely.

How the matter was addressed in our audit

Due to the outbreak of COVID-19 pandemic that caused nationwide lockdown and other travel restrictions imposed by the Central and State Governments/local administration during the period of our audit, we could not travel to the Branches/Circle /Administrative /Corporate Offices and carry out the audit processes physically at the respective offices.
Wherever physical access was not possible, necessary records/reports/documents/ certificates were made available to us by the Company through digital medium, emails and remote access and other relevant application software. To this extent, the audit process was carried out on the basis of such documents, reports and records made available to us which were relied upon as audit evidence for conducting the audit and reporting for the current period.
Accordingly, we modified our audit procedures as follows:

a) Conducted verification of necessary records/ documents and other Application software electronically through remote access/emails in respect of some of the Administrative Offices and other offices of the Company wherever physical access was not possible.

b) Carried out verification of scanned copies of the documents, deeds, certificates and the related records made available to us through emails and remote access over secure network of the Bank.

c) Making enquiries and gathering necessary audit evidence through Video Conferencing. Dialogues and discussions over phone calls/conference calls, emails and similar communication channels.

d) Resolution of our audit observations telephonically through email instead of a face-to-face interaction with the designated officials.

A.N. GARG & CO
N. DELHI
CHARTERED ACCOUNTANTS

Management's Responsibility for the Standalone 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 standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including Ind AS specified under section 133 of the Act, read with relevant rules issued there under.

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 Standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Our objectives are to obtain reasonable assurance about whether the Standalone Ind AS 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 this Standalone Ind AS 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 Standalone Ind AS 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 Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements 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.

N.DELHI

• 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 Standalone Ind AS 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 Standalone Ind AS financial statements, including the disclosures, and whether the Standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone 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.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the Ind AS and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2021, and its profit/loss, total comprehensive income/ loss, its cash flows and the changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report, to the extent applicable 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 it appears from our examination of these books.

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

A.N. & Co. CHARTERED ACCOUNTANTS N. DELHI

d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act with relevant rules issued thereunder.

e) On the basis of the written representations received from the directors of the Company as on 31st March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164(2) of the Act.

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 A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid / provided by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act;

  i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements.

  ii. The Company did not have any long-term contracts including 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.

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

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

Sl. No.	Directions	Auditor's Replies
1.	Whether the company has system in place to process all the Accounting transactions through IT system? If yes, then implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, If any, may be stated	The company has Tally system to process all the accounting transacting and used for preparation of the financial accounts. No accounting transaction has been processed outside the IT system.
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).	Yes, Company has applied to lender, its holding company M/s IRCON International Limited, for restructuring of the loan and also for waiver of interest amount of Rs 29.19 crore from 01.04.2020 to 31.03.2021. This is under consideration by the holding company.

A.N. GARG & CO. N.DELHI CHARTERED ACCOUNTANTS

3.	Whether funds (grants/subsidy etc.) received/receivable for specific schemes from Central/State Government or its agencies were properly accounted for/utilized as per its term and conditions? List the cases of deviation,	Company has recorded viability gap funding (VGF) in form of Equity support for the project as receivable from National Highway Authority of India (NHAI). Company has received full amount of VGF from NHAI and same has been accounted and utilized as per the terms and conditions of the agreement.

For A. N. GARG& COMPANY

Chartered Accountants

FRN- 004616N

A. N. GARG & CO * CHARTERED ACCOUNTANTS N. DELHI

A. N. GARG

(FCA, Partner)

M.No.-083687

Place: DELHI

Date: 15-06-2021

UDIN: 21083687AAAAFV4177

Annexure "A"
To the Independent Auditor's Report

The Annexure referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our Report of even date to the financial statements of the company for the period 1st April' 2020 to 31st March'2021.

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:-

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

(b) These fixed assets have been physically verified by the management at reasonable intervals; any material discrepancies were not noticed on such verification; Due to COVID-19 pandemic, nationwide lockdown and travel restrictions imposed by Central / State Government / Local Authorities during the period of our audit and to facilitate carrying out audit remotely wherever physical access was not possible.

(c) The title deeds of immovable properties are held in the name of the company.

(ii) Clause related to Inventory not applicable because there have no dealing in Inventory according to the business.

(iii) As informed, and according to the information and explanations given to us, the company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly paragraph 3(iii) (a), 3(iii) (b) and 3(iii) (c) of the Order are not applicable to the Company.

(iv) Based on information and explanations given to us in respect of loans, investments, guarantees, and security, have been complied with (wherever applicable on the company) necessary provision of section 185 & 186 of the Companies Act, 2013.

(v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits during the year to which directives issued by the Reserve Bank of India and provisions of section 73 to 76 of the Companies Act, 2013 and rules framed there under.

(vi) We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2016, as amended, prescribed by the Central Government under sub – section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

N. DELHI
CHARTERED ACCOUNTANTS

(vii) (a) As explained to us and as per the books and records examined by us, undisputed statutory dues including Provident Fund, Employees State Insurance, Income Tax, Custom Duty, Wealth Tax, Sales Tax, GST, Excise duty, Cess and other statutory dues have been generally deposited with the appropriate authority on regular basis.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, service tax, sales-tax, GST, duty of custom, duty of excise, value added tax, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(c) According to the information and explanations given to us by the management and relied upon by us, there are no dues of Income Tax, Custom Duty, Wealth Tax, Sales Tax, GST, Excise duty & Cess, which have not been deposited on account of any dispute

(viii) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of dues of banks or financial institutions. The Company did not have any outstanding in respect of debentures during the year.

(ix) In our opinion and according to the information and explanations given by the management the Company has not raised money by way of public issue offer and hence the question of utilization of money raised by way of initial public offer does not arise. In our opinion and according to the information and explanations given to us, the Company has utilized the term loans for the purposes for which they were obtained.

(x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or any fraud on the company by its officers or employees, noticed or reported during the year, nor have we been informed of any such instance by the management.

(xi) According to the information and explanations given by the management, managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.

(xii) In our opinion on the basis of information and explanations given by the management, the Company is not a Nidhi Company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company.

(xiii) According to the information and explanations given by the management, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements, as required by the applicable accounting standards.

(xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Therefore, paragraph 3 of the Order is not applicable to the Company.

A.N. GARG & CO
N. DELHI
CHARTERED ACCOUNTANTS

(xv) According to the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him during the year.

(xvi) According to the information and explanations given by the management, provision of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to company.

For A. N.GARG & COMPANY

Chartered Accountants

FRN- 004616N

A. N. GARG

(FCA, Partner)

M.No.-083687

Place: DELHI

Date: 15.06.2021

UDIN: 21083687AAAAFV4177

Annexure - B

To the Independent Auditor's Report

(Referred to in paragraph under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

To the Members of IRCON PB Tollway Ltd

We have audited the internal financial controls with reference to financial statements of IRCON PB Tollway Ltd ("the Company") as of March 31, 2021 in conjunction with our audit of the Standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements 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 (the "Guidance Note") 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 Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing specified under section 143(10) of the Act to extent applicable to an audit of internal financial controls, both issued by the ICAI. 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 with reference to financial statements 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 with reference to financial statements and their operating effectiveness.

Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal controls 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 with reference to financial statements.

N. DELHI CHARTERED ACCOUNTANTS

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control with reference to financial statements 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 with reference to financial statements 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 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, the Company has, in all material respects, an adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2021, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal controls stated in the Guidance Note issued by the ICAI.

For A. N. GARG& COMPANY

Chartered Accountants

FRN- 004616N

A. N. GARG & CO. N. DELHI CHARTERED ACCOUNTANTS

A. N. GARG

(FCA, Partner)

M.No.-083687

Place: DELHI

Date: 15-06-2021

UDIN: 21083687AAAAFV4177

Financial Statements (FY: 2020-21)

IRCON PB TOLLWAY LIMITED
(CIN - U45400DL2014GOI272220)
BALANCE SHEET AS AT 31 st March 2021

	Particulars	Note No.	As at 31st March 2021 (Rs. in crore)		As at 31st March 2020 (Rs. in crore)	
I.	**ASSETS**					
1	**Non-Current Assets**					
	(a) Property, Plant and Equipment	3	0.25		0.13	
	(b) Intangible Assets	4	473.78		494.96	
	(c) Intangible Assets under Development	4	-		16.94	
	(d) Financial Assets					
	(i) Others	5	0.03		1.00	
	(e) Deferred Tax Assets (Net)	6	-		0.81	
	(f) Other Non-Current Assets		-		-	
	Total Non-Current Assets			474.06		513.84
2	**Current Assets**					
	(a) Inventories		-		-	
	(b) Financial Assets					
	(i) Trade Receivables	7.1	12.38		9.66	
	(ii) Cash and Cash Equivalents	7.2	11.30		12.76	
	(iii) Loans	7.3	0.08		-	
	(iv) Others	7.4	4.16		51.13	
	(c) Current Tax Assets (Net)	8	6.96		6.78	
	(d) Other Current Assets	9	0.40		-	
	(e) Assets held for Sale		-		-	
	Total Current Assets			35.28		80.33
	Total Assets			**509.34**		**594.17**
II.	**EQUITY AND LIABILITIES**					
1	**Equity**					
	(a) Equity Share Capital	10	165.00		165.00	
	(b) Other Equity	11	-36.76		-15.38	
	Total Equity			128.24		149.62
2	**Liabilities**					
(i)	**Non-Current Liabilities**					
	(a) Financial Liabilities	12				
	(i) Borrowings	12.1	297.04		379.29	
	(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		-		-	
	(b) Provisions	13	17.76		-	
	(c) Deferred Tax Liabilities Net	6	7.48		-	
	Total Non-Current Liabilities			322.28		379.29
(ii)	**Current Liabilities**					
	(a) Financial Liabilities	14				
	(i) Borrowings				-	
	(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	14.1	15.06		7.24	
	(iii) Other Financial Liabilities	14.2	43.72		42.22	
	(b) Other Current Liabilities	15	0.04		0.13	
	(c) Provisions	13	-		15.67	
	Total Current Liabilities			58.82		65.26
	Total Equity and Liabilities			**509.34**		**594.17**
III.	Summary of Significant Accounting Policies	1 - 2				
IV.	Notes forming part of Financial Statements	3 - 37				

As per our Report of even date attached

For A.N. Garg & Co.
Chartered Accountants
FRN 004616N

A.N. Garg
FCA Partner
M. No. 083687
UDIN 21085687AAAAFV4177

Place : New Delhi
Date : 15.06.2021

A.N. GARG & CO. N. DELHI CHARTERED ACCOUNTANTS

For and on behalf of Board of Directors

(Yogesh Kumar Misra)
(Chairman)
(DIN No.07654014)

(B Mugunthan)
(Director)
(DIN No. 8517013)

(R.M. Kambale)
(Chief Executive Officer)

(Meenakshi Garg)
(Chief Financial Officer)

(Anuradha Kaushik)
(Company Secretary)

IRCON PB TOLLWAY LIMITED
(CIN - U45400DL2014GOI272220)
STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED 31st March 2021

	Particulars	Note No.	For the Year ended 31st March 2021 (Rs. in crore)	For the Year ended 31 st March 2020 (Rs. in crore)
I.	**Revenue :**			
	Revenue from operations	16	54.86	70.40
II.	Other income	17	0.44	0.33
III.	**Total Income (I + II)**		**55.30**	**70.73**
IV.	**Expenses:**			
	Project Expenses	18	42.70	42.00
	Employee Benefits Expenses	19	2.46	2.82
	Finance Costs	20	0.01	19.95
	Depreciation, Amortisation and Impairment	21	23.08	23.04
	Other Expenses	18	0.14	0.08
	Total Expenses (IV)		**68.39**	**87.89**
V.	**Profit Before exceptional items and Tax (III - IV)**		-13.09	-17.16
VI.	Exceptional items		-	-
VII.	Profit before tax (V + VI)		-13.09	-17.16
VIII.	Tax expenses:			
	(1) Current tax			
	- For the Period		-	-
	- For earlier years (net)		-	0.01
	(2) Deferred tax (net)	6	8.29	-
	Total Tax Expense		8.29	0.01
IX	**Profit for the year from continuing operation (VII - VIII)**		**-21.38**	**-17.17**
X	**Other Comprehensive Income**			
	A. (i) Items that will not be reclassified to profit or loss		-	-
	(ii) Income Tax relating to Items that will not be reclassified to profit or loss		-	-
	B. (i) Items that will be reclassified to profit or loss		-	-
	(ii) Income Tax relating to Items that will be reclassified to profit or loss		-	-
			-	-
XI	**Total Comprehensive Income for the year (IX +X) (Comprising profit/(loss) and other comprehensive income for the year, net of tax)**		**-21.38**	**-17.17**
XII	Earnings Per Equity Share:			
	(For Continuing Operation)			
	(1) Basic	29	-1.30	-1.04
	(2) Diluted	29	-1.30	-1.04
	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 - 37		

As per our Report of even date attached

For A.N. Garg & Co.
Chartered Accountants
FRN 004616N

A.N. Garg
FCA Partner
M. No. 083687
UDIN 21083687AAAAFY4177

Place : New Delhi
Date : 15.06.2021

For and on behalf of Board of Directors

(Yogesh Kumar Misra)
(Chairman)
(DIN No.07654014)

(B.Mugunthan)
(Director)
(DIN No. 8517013)

(R.M. Kambale)
(Chief Executive Officer)

(Meenakshi Garg)
(Chief Financial Officer)

(Anuradha Kaushik)
(Company Secretary)

IRCON PB TOLLWAY LIMITED
(CIN - U45400DL2014GOI272220)
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31st MARCH 2021

Particulars		For the year ended 31st March 2021 (Rs. in crore)		For the Year ended 31st March 2020 (Rs. in crore)	
CASH FLOW FROM OPERATING ACTIVITIES					
Net Profit before taxation		(13.09)		(17.17)	
Adjustment for :					
Depreciation, amortization and impairment		23.09		23.04	
Borrowing Cost		-		19.95	
Interest Income		(0.30)		(0.31)	
Operating Profit before Current /Non-Current Assets and Lianilities	(1)		9.70		25.51
Adjustment for :					
Decrease / (Increase) in Trade Receivables/ Financial Assets - Loans		(2.80)		5.49	
Decrease / (Increase) in Inventories		-		-	
Decrease / (Increase) in Other Assets & Financial Assets		47.52		64.26	
(Decrease) / Increase in Trade Payables		8.05		4.36	
(Decrease) / Increase in Other Liabilities, Financial Liabilities & Provisions		16.96		(137.85)	
	(2)		69.73		(63.74)
Cash Generated From Operations	(1+2)		79.43		(38.23)
Income Tax (Paid)/Refund received			0.18		2.15
NET CASH FROM OPERATING ACTIVITIES	(A)		79.61		(36.08)
CASH FLOW FROM INVESTING ACTIVITIES			-		
Purchase of Property, Plant and Equipment including CWIP			(0.14)		(0.12)
Purchase of Intangible Assets/ Intangible Assets under development			(0.01)		(12.05)
Interest Received			0.30		0.30
NET CASH FROM INVESTING ACTIVITIES	(B)		0.15		(11.87)
CASH FLOW FROM FINANCING ACTIVITIES					
Loan From IRCON (Holding Co.)			-		136.89
Repayment of Loan to IRCON (Holding Co.)			(81.22)		(57.52)
Borrowing Cost			-		(19.95)
NET CASH FROM FINANCING ACTIVITIES	(C)		(81.22)		59.42
Effect of Exchange differences on translation of Foreign Currency Cash & Cash Equivalents	(D)		-		-
NET DECREASE IN CASH & CASH EQUIVALENTS	(A+B+C+D)		(1.46)		11.47
OPENING CASH AND CASH EQUIVALENTS	(E)		12.76		1.29
Cash Balances			-		-
Balance with Banks					
In Current Accounts			1.11		0.44
In Flexi Accounts			11.65		0.85
CLOSING CASH AND CASH EQUIVALENTS	(F)		11.30		12.76
Cash Balances			-		-
Balance with Banks					
In Current Accounts			2.13		1.11
In Flexi Accounts			9.17		11.65
NET INCREASE / (DECREASE) IN CASH & CASH EQUIVALENTS	(F-E)		(1.46)		11.47

Notes

1. The above Cash flow Statement has been prepared under the "Indirect Method"as set out in the Indian Accounting Standard (Ind AS) - 7 on Statement of Cash Flows.
2. Figures in brackets represent outflow of cash.
3. Figures of the previous year have been regrouped / recasted / restated wherever necessary.

As per our Report of even date attached

For A.N. Garg & Co.
Chartered Accountants
FRN 004616N

A.N. Garg
FCA Partner
M. No. 083687
UDIN 21083687AAAAFV4177

Place : New Delhi
Date : 15.06.2021

For and on behalf of Board of Directors

(Yogesh Kumar Misra)
(Chairman)
(DIN No.07654014)

(B Mugunthan)
(Director)
(DIN No. 8517013)

(R.M. Kambale)
(Chief Executive Officer)

(Meenakshi Garg)
(Chief Financial Officer)

(Anuradha Kaushik)
(Company Secretary)

IRCON PB TOLLWAY LIMITED (CIN - U45400DL2014GOI272220)
STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31st March 2021

A. Equity Share Capital
For the period ended 31st March 2021

(Rs. in crore)

Particulars	Amount
Balance as at 01 April, 2019	165.00
Changes in equity share capital during the year	-
Balance as at 31 March, 2020	165.00
Changes in equity share capital during the year	-
Balance as at 31 March, 2021	165.00

B. Other Equity
For the year ended 31st March, 2020

(Rs. in crore)

Particulars	Reserves & Surplus			Other Comprehensive Income	Total
	General Reserves	Retained Earnings	Capital Redemption Reserve	Exchange differences on translating the financial statement of a foreign operation	
Balance as at 1 April, 2019	-	1.80	-	-	1.80
Changes in accounting policy or prior period errors	-	-	-	-	-
Balance as at 1 April, 2019 (Restated)	-	1.80	-	-	1.80
Profit for the year	-	(17.18)	-	-	(17.18)
Other Comprehensive Income					
Remeasurment of Defined Benefit Plans	-	-	-	-	-
Foreign Exchange translation difference	-	-	-	-	-
Total Comprehensive Income for the period	-	(17.18)	-	-	(17.18)
Dividends Paid	-	-	-	-	-
Dividend Distribution Tax	-	-	-	-	-
Balance as at March 31, 2020	-	(15.38)	-	-	(15.38)

For the year ended 31st March 2021

(Rs. in crore)

Particulars	Reserves & Surplus			Other Comprehensive Income	Total
	General Reserves	Retained Earnings	Capital Redemption Reserve	Exchange differences on translating the financial statement of a foreign operation	
Balance as at 1 April, 2020	-	(15.38)	-	-	(15.38)
Changes in accounting policy or prior period errors	-	-	-	-	-
Balance as at 1 April, 2020	-	(15.38)	-	-	(15.38)
Profit for the year	-	(21.38)	-	-	(21.38)
Other Comprehensive Income					
Remeasurment of Defined Benefit Plans	-	-	-	-	-
Foreign Exchange translation difference	-	-	-	-	-
Total Comprehensive Income for the period	-	(21.38)	-	-	(21.38)
Dividends Paid	-	-	-	-	-
Dividend Distribution Tax	-	-	-	-	-
Balance as at March 31, 2021	-	(36.76)	-	-	(36.76)

As per our Report of even date attached

For A.N. Garg & Co.
Chartered Accountants
FRN 004616N

A.N. Garg
FCA Partner
M. No. 083687
UDIN 21083687AAAAFY4177
Place : New Delhi
Date : 15.06.2021

A.N. GARG & CO. NEW DELHI CHARTERED ACCOUNTANTS

For and on behalf of Board of Directors

(Yogesh Kumar Misra)
(Chairman)
(DIN No.07654014)

(B Mugunthan)
(Director)
(DIN No. 8517013)

(R.M Kambale)
(Chief Executive Officer)

(Meenakshi Garg)
(Chief Financial Officer)

(Anuradha Kaushik)
(Company Secretary)

1. Corporate Information

Ircon PB Tollway Limited ('Ircon PBTL') (CIN) U45400DL2014GOI272220) is a wholly owned subsidiary of Ircon International Limited ('IRCON'). The Company came into existence when IRCON incorporated IrconPBTL on 30.09.2014 on account of work awarded by NHAI for widening and strengthening of the existing Bikaner - Phalodi Section to 4 lane from Km. 4.200 to Km. 55.250 and 2 Lane with Paved shoulder from Km. 55.250 to Km. 163.50 of NH 15 in the state of Rajasthan on DBFOT (Design, Built, Finance, and Operate & Transfer) basis in accordance with the terms and conditions in the concession agreement signed with NHAI. In pursuant to the provisions of 'Request for Proposal', the selected bidder 'IRCON' formed IrconPBTL as Special Purpose Vehicle (SPV). The Company obtained Certificate of Commencement of Business on 10th Oct 2014 from the office of Registrar of Companies. Accordingly, SPV has signed the Concession Agreement with NHAI on 7th Nov 2014. As per provisions of Concession Agreement Article 24, clause 24.1, the Concessionaire is obliged to achieve financial close within 180 days from the date of agreement so that NHAI may notify the date of appointment, known as Appointed Date before physical commencement of the project. The financial close was completed by concessionaire during the financial year 2015-16; accordingly, the appointed date was fixed by NHAI on 14th Oct 2015. The concession period of 26 years including construction period commenced on 14th Oct 2015 on Appointed Date notified by the NHAI. NHAI is to provide Viability Gap Fund (VGF) of Rs.327.00 crores as per provisions of the concession agreement.

Company received provisional Commercial Operation Date (COD) on 15th Feb 2019 and subsequently 2nd provisional certificate on 4th November 2020.

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

2. Summary of Significant Policies

2.1 Basis of preparation

i. 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.

ii. 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:

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- 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

2.2 Current vs non-current classification

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

ii. 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,
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

iii. The company classifies all other assets as non-current.

iv. 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 at least twelve months after the reporting period

v. The company classifies all other liabilities as non-current.

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

vii. 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..

2.3 Statement of Cash Flow

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

2.4. Property, Plant and Equipment

i. *Recognition and initial measurement*

- Property, Plant and Equipment is recognized when it is probable that future

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Cost of asset includes

Purchase price, net of any trade discount and rebates.

(a) Borrowing cost if capitalization criteria is met.
(b) Cost directly attributable to the acquisition of the assets which incurred in bringing asset to its working condition for the intended use.
(c) 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.
(d) 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.

ii. *Subsequent Measurement*

- Property, Plant and Equipment are subsequently measured at cost net of accumulated depreciation and accumulated 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.

iii. *Depreciation and Useful lives*

- Depreciation on Property, Plant and Equipment, excluding freehold land is provided on straight line basis over the estimated useful lives of the assets as specified in schedule II of the Companies act, 2013 given as follows:

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

Depreciation on additions to/deductions from property, plant and equipment during

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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.

iv. ***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.

2.5 Capital work in progress

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

2.6 Investment Properties

i. ***Recognition and Initial Measurement***

- Investment Property is recognized when it is probable that future economic benefits associated with the property will flow to the company and the cost of property can be measured reliably.

- Investment property comprises completed property, property under construction and property held under a lease that is held to earn rentals or for capital appreciation or both, rather than for sale in the ordinary course of business or for use in production or administrative functions. Investment properties are measured initially at cost, including transaction costs.

- Cost is the amount of cash or cash equivalents paid or the fair value of other consideration given to acquire an asset at the time of its acquisition or construction

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or, where applicable, the amount attributed to that asset when initially recognized in accordance with the specific requirements of other Ind AS.

ii. ***Subsequent Measurement and Depreciation***

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

- Leasehold land acquired on perpetual lease is not amortized.

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

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

iii. ***Derecognition***

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

2.7 Intangible Assets

i. ***Recognition and Initial Measurement***

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

ii. ***Subsequent Measurement and Amortization***

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

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- The cost of capitalized software is amortized over a period 36 months from the date of its acquisition.

- Amortization on additions to/deductions from Intangible Assets during the period is charged on pro-rata basis from/up to the date on which the asset is available for use/disposed

- Amortization methods, useful lives and residual values are reviewed at each financial year end.

iii. ***Derecognition***

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

iv. **Toll Collection Right (Toll Road Service Concession Arrangement)**

a) In respect of Public to Private Arrangements (PPA), on a Built-Operate-Transfer (BOT) basis, Intangible Assets i.e. Right to collect toll/tariff are recognised when the company has been granted rights to charge a toll/tariff from the users of such public services and such rights do not confer an unconditional right on the Group to receive cash or another Financial Asset and when it is probable that future economic benefits associated with the rights will flow to the company and the cost of the asset can be measured reliably.

b) The company constructs or upgrades infrastructure (construction or upgrade services) used to provide a public service and operates and maintains that infrastructure (operation services) for a specified period of time. These arrangements may include infrastructure used in a public-to-private service concession arrangement for its entire useful life.

c) Under the Concession Agreements, where the company has received the right to charge users of the public service, such rights are recognised and classified as "Intangible Assets" in accordance with Appendix C to Ind AS 115 - Service Concession Arrangements.

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d) Such right is not an unconditional right to receive consideration because the amounts are contingent to the extent that the public uses the service and thus are recognised and classified as intangible assets. Such an intangible asset is recognised by the company at cost (which is the fair value of the consideration received or receivable for the construction services delivered) and is capitalized when the project is complete in all respects and when the company receives the completion certificate (Provisional or Final) from the authority as specified in the Concession Agreement.

e) An asset carried under concession arrangements is derecognised on disposal or when no future economic benefits are expected from its future use or disposal.

f) Service Concession Arrangements that meet the definition of an Intangible Asset are recognised at cumulative construction cost. Till completion of construction of the project, such arrangements are recognised as "Intangible Assets Under Development" and are recognised at cumulative construction cost.

g) The Company recognizes Viability Gap Funding(VGF) in the nature of equity support. Total expected amount of VGF is reduced from intangible assets under development (being created under the service concession arrangement) and receivable under current financial assets is recognized. Any amount received against the VGF is then reduced from the current financial assets.

h) The estimated useful life of an intangible asset in a service concession arrangement is the period from where the company is able to charge the public for use of infrastructure to the end of the concession period.

i) Toll collection right is amortized using straight line method on pro-rata basis from the date of addition or from the date when the right brought in to service to the expiry of concession period.

j) Amortization methods and useful lives are reviewed at each reporting date, with the effect of change in estimate accounted for on a prospective basis.

k) The carrying value of intangible asset is reviewed for impairment annually or more often if events or changes in circumstances indicate that the carrying value may not

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2.8 Cash and cash Equivalent

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.

2.9 Provisions, contingent assets and contingent liabilities

i. Provisions

a) 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.

b) 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.

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

ii. Onerous contracts

a) 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

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established, the company recognises any impairment loss that has occurred on assets dedicated to that contract.

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

iii. Contingent liabilities

a) 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.

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

iv. Contingent assets

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

2.10 Revenue Recognition

i. The Company recognizes and measures revenue from construction in accordance with *Ind AS -115*"Revenue from Contracts with Customers".

ii. The Consideration received or receivable by the Company is a right to financial asset and an intangible asset. The Company recognizes a financial asset to the extent it has an unconditional right to receive cash which is specified determinable amount from or at the direction of the grantor for the construction services and the Company recognizes an intangible asset to the extent that it receives a sole and exclusive right to charge users of the public service. A right to charge users of the public service is not an unconditional right to receive cash because the amounts are contingent on the extent that the public uses the service.

iii. The Company recognizes contract revenue on the satisfaction of a performance obligation by transferring a promised service to the grantor. The Company's performance creates /enhances an asset that the grantor controls as the asset is created or enhanced hence, the Company transfers control over time, satisfies a performance obligation over time.

iv. 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

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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.

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

vi. 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.

vii. 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 the expected value or most likely amount method whichever is better predict the amount.

viii. 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.

ix. The company satisfies a performance obligation and recognizes the revenue overtime, if any of the following criteria is met:

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

x. 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.

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xi. 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.

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

xiii. 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.

xiv. **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). Refer to accounting policies of financial assets in section Financial instruments - initial recognition and subsequent measurement.

- **Contract liabilities:** A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made, or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company

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performs under the contract

xv. Revenue from toll collection

The Company recognizes toil revenue as and when it collects at Transaction Price i.e usage fee. Which is exclusive of amounts collected on behalf of third parties.

xvi. 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.

2.11 Impairment of non-financial assets

i. 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.

ii. 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.

iii. 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.

2.12 Inventories

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

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

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

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

v. Loose tools are expensed in the period of purchase.

2.13 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 of time 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.

2.14 Employee Benefits

i. 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.

ii. Post-employment benefits & other Long Term Employee Benefits

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

2.15 Leases

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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.

i. 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.

A. Right-of-use assets

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

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

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

B. 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

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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.

C. 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. The Company furthe also treats those leases as low value, whose lease term may be over one year, but whose effect of non categorizing them as right to use assets and charging them over the lease term vis-à-vis accounting them as an expense on a year to year basis is not material. 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.

ii. Company as a lessor

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

2.16 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.

2.17 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 year 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.

- Deferred income tax asset are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

- 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.

2.18 Operating Segment

Operating segments are reported in the manner consistent with the internal reporting provided by the chief operating decision maker (CODM). Company has identified only one reportable segment.

2.19 Earnings per Share

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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.

2.20 Foreign Currencies

i. Functional and Presentation Currency

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

ii. Transactions and Balances

- Foreign currency transactions are recorded in the functional currency, by applying the exchange rate between the functional currency and the foreign currency at the date of the transaction.
- Foreign currency monetary items outstanding at the reporting date are converted to functional currency using the closing rate (Closing selling rates for liabilities and closing buying rate for assets). Non-monetary items denominated in a foreign currency which are carried at historical cost are reported using the exchange rate at the date of the transactions.
- Exchange differences arising on settlement of monetary items, or restatement as at reporting date, at rates different from those at which they were initially recorded, are recognized in the statement of profit and loss in the period in which they arise. These exchange differences are presented in the statement of profit and loss on net basis.

2.21 Fair value measurement

i. The company measures financial instruments at fair value at each reporting period.

ii. 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:

   a) In the principal market for the asset or liability, or

   b) 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.

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iii. 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.

iv. 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.

v. 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.

vi. 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:

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

vii. 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.

viii. 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.

ix. 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.

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

2.22 Dividend to equity holders

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 is recognized directly in equity.

2.23 Financial instruments

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- 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.

i. Financial assets

a) 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.

b) Subsequent measurement

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

A. 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.

B. Debt instruments at FVTOCI

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

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

- Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the statement of

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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.

C. Debt instruments at FVTPL

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

D. 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.

E. 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

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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:
  a. Trade receivables or contract revenue receivables; and
  b. 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

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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.

F. __Derecognition of financial assets__

a) 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.

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

ii. Financial liabilities

a) 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.

b) Subsequent measurement

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

a. Financial liabilities at fair value through profit or loss.

The company has not designated any financial liabilities at FVTPL.

b. Financial liabilities at amortized cost

A. 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.

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B. **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.

iii. **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.

iv. **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.

v. **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.

2.24 Non - current asset held for sale

a) Non-current assets (or disposal groups) are classified as assets held for sale when their carrying amount is to be recovered principally through a sale transaction and a sale is considered highly probable. The sale is considered highly probable only when the asset or disposal group is available for immediate sale in its present condition, it is unlikely that the sale will be withdrawn, and sale is expected within one year from the date of the classification. Disposal groups classified as held for sale are stated at the lower of carrying amount and fair

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value less costs to sell. Property, plant and equipment, Investment property and intangible assets are not depreciated or amortized once classified as held for sale. Assets classified as held for sale/distribution are presented separately in the balance sheet.

b) If the criteria stated by IND AS 105 "Non-current Assets Held for Sale" are no longer met, the disposal group ceases to be classified as held for sale. Non-current asset that ceases to be classified as held for sale are measured at the lower of

i. its carrying amount before the asset was classified as held for sale, adjusted for depreciation that would have been recognized had that asset not been classified as held for sale, and

ii. its recoverable amount at the date when the disposal group ceases to be classified as held for sale.

The depreciation reversal adjustment related property, plant and equipment, Investment property and intangible assets is charged to statement of profit and loss in the period when non-current assets held for sale criteria are no longer met.

2.25 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.

2.26 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.

i. 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

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receivables balances and historical experiences. Individual trade receivables are written off when management deems not be collectible.

ii. 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.

iii. 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.

iv. 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.

v. Impairment of non-financial assets

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

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vi. **Non-current asset held for sale**

- Non-current assets (or disposal groups) are classified as assets held for sale when their carrying amount is to be recovered principally through a sale transaction and a sale is considered highly probable. The sale is considered highly probable only when the asset or disposal group is available for immediate sale in its present condition, it is unlikely that the sale will be withdrawn, and sale is expected within one year from the date of the classification.

vii. **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.

viii. **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).

ix. **Revenue recognition**

- The company's revenue recognition policy, which is set out in Note 2.10, 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 judgments to be made on changes in scope of work and claims and variations.

- Estimates are also required with respect to the determination of stage of completion and estimation of project completion date:

    - Determination of stage of completion
    - Estimation of project completion date

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- Provisions for foreseeable loses
- Estimated total revenues and estimated total costs to completion, including claims and variations.

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

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

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3 Property, Plant and Equipment

(Rs. in crore)

	Computers	Office Equipments	Furniture & Fixtures	Vehicles	Total
A) Gross Carrying Amount (At Cost)					
At 31 March 2019	**0.01**	**0.02**	-	-	**0.03**
Additions	0.04	0.08	-	-	0.12
Disposals/Adjustments	-	-	-	-	-
At 31 March 2020	**0.05**	**0.10**	-	-	**0.15**
Additions	0.00	0.13	0.01	-	0.14
Disposals/Adjustments	-	-	-	-	-
At 31st March 2021	**0.05**	**0.23**	**0.01**	-	**0.29**
B) Depreciation and impairment					
At 31 March 2019	-	-	-	-	-
Depreciation charge for the year	0.01	0.01	-	-	0.02
Impairment	-	-	-	-	-
At 31 March 2020	**0.01**	**0.01**	-	-	**0.02**
Depreciation charge for the year	0.01	0.01	-	-	0.02
At 31st March 2021	**0.02**	**0.02**	-	-	**0.04**
C) Net book value					
At 31st March 2021	**0.03**	**0.21**	**0.01**	-	**0.25**
At 31 March 2020	**0.04**	**0.09**	-	-	**0.13**

Foot Notes:-

i) Depreciation and impairment on Property, Plant & Equipment for the year debited to Statement of Profit and Loss are as follows:-

Description		As At 31 March 2021	As at 31st March 2020
Depreciation on Tangible Assets		0.02	0.01
Impairment Loss		-	-
Total		**0.02**	**0.01**

ii) As per accounting policies of the company, "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" During the financial year 2020-21, certain fixed assets have acquired by the company & capitalized at Rs 1 Value. These assets are not fully depreciated & have been carried at Rs 1 for identification purposes.

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4 Intangible Assets

Particulars	Intangible assets under development (Toll Road) (Refer Note 23)	Intangible Asset (Toll Road) (Refer Note 23)	Other Intangibles (Software)
	(Rs. in crore)	(Rs. in crore)	(Rs. in crore)
Gross Block			
Opening balance at 1 April 2019	**4.89**	**520.76**	-
Addition during the year	25.20	-	-
Capitalisation during the year	-	-	-
Disposals / adjustment during the year #	13.15	-	-
Closing balance at 31 March 2020	**16.94**	**520.76**	-
Addition during the year	0.01	1.88	-
Capitalisation during the year	1.88	-	-
Disposals / adjustment during the year ##	15.07	-	-
Closing balance At 31st March 2021	-	**522.64**	-

Equity Support due from NHAI to be reduced from in Intangible assets

Excess provision on account of EPC Contract for the toll road & corresponsing Asset Created written off

Particulars	Intangible assets under development (Toll Road)	Intangible Asset (Toll Road)	Other Intangibles (Software)
Amortisation and Impairment			
Opening balance at 1 April 2019	-	**2.77**	-
Amortisation during the year	-	23.03	-
Sales / adjustment during the year	-		-
Closing balance at 31 March 2020	-	**25.80**	-
Amortisation during the year	-	23.06	-
Sales / adjustment during the year	-		
Closing balance At 31st March 2021	-	**48.86**	-
Net book value			
At 31st March 2021	-	**473.78**	-
At 31 March 2020	**16.94**	**494.96**	-

Note:-

1. Intangible Assets (Toll Road) also includes value of IT Infrastructure Including software essential for the toll road along with some small movable assets which are bundled with the EPC works of the Toll Road. The same is not separately quantifiable and is an integral part of the Asset.

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5 Non-Current Assets - Other Financial Assets

Particulars	(Rs. in crore) As at 31st March 2021	(Rs. in crore) As at 31st March 2020
a) Considered Good : Unsecured		
Security Deposits		
- Others	0.03	0.04
Contact Asset:		
- Retention Money with Client (Refer Note 33 (C) (ii))	-	0.96
Total (a)	**0.03**	**1.00**
b) Considered Doubtful	-	-
Total - Other Financial Assets - Doubtful (b)	-	-
Grand Total - Other Financial Assets (a+b)	**0.03**	**1.00**

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6 Deferred Tax Assets and Income Tax

Disclosure pursuant to Ind AS 12 "Income Taxes"

(a) The major components of income tax expense for the year ended 31 March 2021 and 31 March 2020 are :

(Rs. in crore)

S.No.	Particulars	For the Year ended	
		31 March 2021	31 March 2020
1	**Profit and Loss Section**		
	Current income tax :		
	Current income tax charge	-	-
	Adjustment in respect of current tax of previous year	-	0.01
	Deferred tax :		
	Relating to origination and reversal of temporary differences	8.29	-
	Income tax expense reported in the Profit and Loss section	**8.29**	**0.01**
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 2021 and 31 March 2020:

(Rs. in crore)

S.No.	Particulars	For the Year ended	
		31 March 2021	31 March 2020
1	Accounting profit before income tax	(13.11)	(17.17)
2	Corporate tax rate as per Income tax Act, 1961	26%	26%
3	Tax on Accounting profit (3) = (1) * (2)	-	-
4	Effect of Tax Adjustments:		
(i)	Adjustments in respect of current income tax of previous years	-	0.01
(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	8.29	-
5	**Income tax expense reported in the Statement of Profit and Loss**	**8.29**	**0.01**
6	Effective Tax Rate		

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

(Rs. in crore)

S.No.	Particulars	Balance sheet		Statement of profit or loss	
		31 March 2021	31 March 2020	31 March 2021	31 March 2020
1	Property, Plant & Equipment (including intangible): Difference in book depreciation and income tax depreciation ^^	(56.12)	(39.84)	16.28	39.84
2	Provisions	0.54	-	(0.54)	-
3	Others/ Business Loss	48.10	40.65	(7.45)	(39.84)
4	Items disallowed u/s 43B of Income Tax Act, 1961	-	-	-	-
5	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	-	-	-	-
6	Fair valuation of financial instruments	-	-	-	-
7	Unutilised gain/loss on FVTOCI equity securities and FVTPL Mutual funds	-	-	-	-
	Net deferred tax assets/(liabilities)	**(7.48)**	**0.81**	**8.29**	-

(d) Reflected in the balance sheet as follows:

(Rs. in crore)

S.No.	Particulars	31 March 2021	31 March 2020
1	Deferred tax assets	48.64	40.65
2	Deferred tax liability	(56.12)	(39.84)
	Deferred Tax Asset/(Liabilities) (Net)	**(7.48)**	**0.81**

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 2021

(Rs. in crore)

S.No.	Particulars	Net balance As at 1st April 2020	Recognised in statement of profit and loss	Recognised in OCI	Net balance As at 31st March 2021
1	Property, Plant & Equipment (including intangible): Difference in book depreciation and income tax depreciation	(39.84)	16.28	-	(56.12)
2	Provisions	-	(0.54)	-	0.54
3	Others/ Business Loss	40.65	(7.45)	-	48.10
4	Items disallowed u/s 43B of Income Tax Act, 1961	-	-	-	-
5	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	-	-	-	-
6	Fair valuation of financial instruments	-	-	-	-
7	Unutilised gain/loss on FVTOCI equity securities and FVTPL Mutual funds	-	-	-	-
	Net deferred tax assets/(liabilities)	0.81	8.29	-	(7.48)

As at 31 March 2020

(Rs. in crore)

S.No.	Particulars	Net balance As at 1st April 2019	Recognised in statement of profit and loss	Recognised in OCI	Net balance As at 31 March 2020
1	Property, Plant & Equipment (including intangible): Difference in book depreciation and income tax depreciation	-	39.84	-	(39.84)
2	Provisions	-	-	-	-
3	Others/ Business Loss	0.81	(39.84)	-	40.65
4	Items disallowed u/s 43B of Income Tax Act, 1961	-	-	-	-
5	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	-	-	-	-
6	Fair valuation of financial instruments	-	-	-	-
7	Unutilised gain/loss on FVTOCI equity securities and FVTPL Mutual funds	-	-	-	-
	Net deferred tax assets/(liabilities)	0.81	-	-	0.81

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Notes to Financial Statements for the year ended March 31, 2021

Current Assets - Financial Assets

7.1 Current Financial Assets - Trade Receivables

Particulars	**(Rs. in crore) As at 31st March 2021**	**(Rs. in crore) As at 31st March 2020**
Considered Good : Unsecured	12.38	9.66
Considered Doubtful : Unsecured	-	-
Less : Impairment allowances for doubtful debts	-	-
Total	**12.38**	**9.66**

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7.2 Current Financial Assets - Cash and Cash equivalents

	(Rs. in crore)	(Rs. in crore)
Particulars	**As at 31st March 2021**	**As at 31st March 2020**
Balances with banks:		
– On current accounts^	2.13	1.11
– Flexi Accounts^	9.17	11.65
	11.30	**12.76**

^ The above balance pertain to ESCROW A/C which are earmarked fund as per concession agreement entered with NHAI

7.3 Current Financial Assets - Loans

	(Rs. in crore)	(Rs. in crore)
Particulars	**As at 31st March 2021**	**As at 31st March 2020**
A. Considered Good : Secured		
Total (A) - Considered Good : Secured	-	-
B. Considered Good : Unsecured		
(i) Others:		
Staff Loans & Advances	0.08	-
Total (B) - Considered Good : Unsecured (i)	**0.08**	-
C. Considered Doubtful		
Total (C) - Doubtful Loans	-	-
Total	**0.08**	-

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7.4 Current Assets - Other Financial Assets

Particulars	As at 31st March 2021 (Rs. in crore)	As at 31st March 2020 (Rs. in crore)
Considered Good : Unsecured		
Interest Accrued on :		
- Deposits with Banks	0.01	0.02
Contract Asset :		
- Billable Revenue / Receivable not due {refer foot note (i) & Note 33 (C) (ii))	0.83	-
- Money Withheld by Client (Refer Note 33 (C) (ii))	-	0.88
- Retention Money with Client (Refer Note 33 (C) (ii))	0.96	-
Others (Refer note 37 (e) & (f))	2.36	50.23
Considered Doubtful : Unsecured	-	-
Total	**4.16**	**51.13**

(i) Billable revenue of Rs 0.83 Crores represents value of work done which receivbale from National Highways Authority of India (NHAI), but billed to Client in the next financial year

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8 Current Assets - Current Tax Assets (Net)

Particulars	As at 31st March 2021 (Rs. in crore)	As at 31st March 2020 (Rs. in crore)
Taxes Paid including TDS & Advance Tax (Net of Provision for Tax)	6.96	6.78
Less:		
Provision for tax	-	-
Current tax Assets (Net)	**6.96**	**6.78**

Current Tax Assets (Net)

Particulars	As at 31st March 2021	As at 31st March 2020
Taxes Paid :		
Income Tax - TDS	-	-
Advance Income Tax	6.96	6.78
Deposit with Income Tax Department against demand	-	-
Less : Provision for Tax	-	-
Total	**6.96**	**6.78**

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9 Other Current Assets

Particulars	(Rs. in crore) As at 31st March 2021	(Rs. in crore) As at 31st March 2020
Considered Good : Unsecured		
Advances Other than Capital Advances		
- Goods & Services Tax	0.31	-
Prepaid Expenses	0.09	-
Considered Doubtful : Unsecured	-	-
Total	**0.40**	-

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10 Equity Share capital

(Rs. in crore)

Particulars	As at 31st March 2021	As at 31st March 2020
Authorised share capital		
17,50,00,000 (Nos) Equity shares of Rs.10 each		
(17,50,00,000 (Nos) Equity shares of Rs.10 each as at 31st March 2020)	175.00	175.00
	175.00	175.00
Issued/Subscribed and Paid up Capital		
16,50,00,000 (Nos) Equity shares of Rs 10 each-fully paid		
(16,50,00,000 (Nos) Equity shares of Rs 10 each-fully paid as at 31st March 2020)	165.00	165.00
	165.00	165.00

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

Name of the shareholder	As at 31st March 2021		As at 31st March 2020	
	No. of Share	% holding in the class	No. of Share	% holding in the class
Ircon International Limited- Holding Company (IRCON)	16,50,00,000	100.00%	16,50,00,000	100.00%

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

Particulars	As at 31st March 2021		As at 31st March 2020	
	No of shares	Rs in crore	No of shares	Rs in crore
Issued/Subscribed and Paid up equity Capital outstanding at the beginning of the year	16,50,00,000	165.00	16,50,00,000	165.00
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	**16,50,00,000**	**165.00**	**16,50,00,000**	**165.00**

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IRCON PB TOLLWAY LIMITED (CIN - U45400DL2014GOI272220)
Notes to Financial Statements for the year ended March 31, 2021

11 Other Equity

Particulars	As at 31st March 2021 (Rs. in crore)	As at 31st March 2020 (Rs. in crore)
Retained Earnings	(36.76)	(15.38)
Total	**(36.76)**	**(15.38)**

i) Movement as per below:

Retained Earnings		
Opening Balance	(15.38)	1.80
Transfer from surplus in statement of profit and loss	(21.38)	(17.18)
Closing Balance	**(36.76)**	**(15.38)**

ii) Nature and Purpose of Other Reserves:

Retained Earnings
Retained Earnings represents the undistributed profits of the Company.

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12 Non-Current Liabilities - Financial Liabilities

12.1 Non-Current Financial Liabilities - Borrowings

Particulars	(Rs. in crore) As at 31st March 2021	(Rs. in crore) As at 31st March 2020
Secured:		
(a) Loan from Holding Company (Ircon International Limited) (Refer Note below & Note 14.2)	297.04	379.29
Total	**297.04**	**379.29**

Notes :-

(a) Details of Terms of repayments for the other short terms borrowings and security provided in respect of other secured long term borrowings:-

Particulars and terms of security	As at 31st March 2021	As at 31st March 2020
IRCON International Limited (Secured Loan)-Secured by all immovable properties and hypothecation of moveable property of the borrower, Fees, Revenue, Project Agreement, Insurance Claim, Intangible Assets, ESCROW Account and other assets (Refer note b below)	336.00	417.22
Less : Current Maturities (Amount re- payable in next financial year) Shown under - Other Financial Liabilities Note 14.2	38.96	37.93
Amount Shown under Non-Current Financial Liabilities	**297.04**	**379.29**

(b) Company has issued addendum dated 15.12.2020 for the repayment of loan in 12 years of structured quarterly instalments starting from 01.07.2019 . The Company has provided for Interest on Loan for Rs 19.94 Crores upto 30.9.2019, however the proposal for waiver of interest for the period from 01.10.2019 till 31.03.2021, is under consideration of the holding company.

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13 Provisions

(Rs. in crore)

Particulars	Foot Note	As at 31st March 2021	As at 31st March 2020
Provision for Employee Benefits		-	-
Other Provisions	13.1	17.76	15.67
Total		**17.76**	**15.67**
Current		-	**15.67**
Non Current		**17.76**	-

13.1 Other Provisions :

Particulars	Maintenance	Other Expenses	Total
As at 31-March-2019	-	**150.21**	**150.21**
Current	-	150.21	150.21
Non Current	-	0.00	0.00
Provision made during the year	-	24.82	24.82
Less: Utilization during the year	-	(159.36)	(159.36)
Less: Write Back during the year	-	0.00	0.00
As at 31-March-2020	-	**15.67**	**15.67**
Current	-	15.67	15.67
Non Current	-	0.00	0.00
Provision made during the year	17.76	2.93	20.69
Less: Utilization during the year	-	(0.60)	(0.60)
Less: Write Back during the year^^	-	(18.00)	(18.00)
As at 31st March 2021	**17.76**	**-0.00**	**17.76**
Current	-	-	-
Non Current	**17.76**	-	**17.76**

^^= *Write back includes Rs 15.07 Crores of provisions written of on account of Intangible assets under development , which had been considered on estimation basis in previous years, now no longer required .*

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Notes to Financial Statements for the year ended March 31, 2021

14 Current Liabilities - Financial Liabilities

14.1 Current Financial Liabilities - Trade Payables

Particulars	As at 31st March 2021 (Rs. in crore)	As at 31st March 2020 (Rs. in crore)
(A) Micro, Small & Medium Enterprises (Refer Note 35)	-	-
(B) Other than Micro, Small & Medium Enterprises		
(i) Contractor & Suppliers	0.14	2.20
(ii) Related Parties (Refer Note 28)	14.92	5.04
Total	**15.06**	**7.24**

14.2 Current Liabilities - Other Financial Liabilities

Particulars	As at 31st March 2021	As at 31st March 2020
Deposits, Retention money and Money Withheld	0.60	-
Amount Payable to Client (NHAI) on account Fast Tag violation.	0.31	-
Other Payables (including Staff Payable)	3.85	4.29
Other Financial Liabilities- Current Loan instalments payable- Holding Company	38.96	37.93
Lease Liability	-	-
Total	**43.72**	**42.22**

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15 Other Current Liabilities

Particulars	As at 31st March 2021 (Rs. in crore)	As at 31st March 2020 (Rs. in crore)
a) Others		
Statutory dues	0.04	0.13
Total	**0.04**	**0.13**

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

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16 Revenue from Operations

	(Rs. in crore) For the Year ended 31st March 2021	(Rs. in crore) For the year ended 31st March 2020
Construction Contract revenue under SCA (Refer Note 23)	0.01	25.20
Construction Contract revenue -Change of Scope (Refer Note 23)	11.66	-
Revenue from Toll Operations (Refer Note 23 & 33)	43.19	45.20
Total	**54.86**	**70.40**

17 Other Income

	For the Year ended 31st March 2021	For the year ended 31st March 2020
Interest Income :		
Bank Interest Gross	0.30	0.30
Less:- Interest Passed to Clients	-	-
	0.30	0.30
Others :		
Miscellaneous Income	0.14	0.03
Total	**0.44**	**0.33**

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Notes to Financial Statements for the year ended March 31, 2021

18 **Project and Other Expenses**

(Rs. in crore)

Particulars	Project Expenses		Other Expenses	
	For the Year ended 31st March 2021	For the year ended 31st March 2020	For the Year ended 31st March 2021	For the year ended 31st March 2020
Work Expenses	0.60	163.93	-	-
Toll Road Operation Expenses	8.02	8.75		
Work Sub Contract (Change of Scope)	11.66	0.25	-	-
Inspection, Geo Technical Investigation & Survey Exp. Etc.	0.60	0.84	-	-
Repairs and Maintenance of Machinery	0.14	0.01	-	-
Operation and Maintenance - Toll Road	0.78	-	-	-
Rent - Non-residential	0.04	0.08	-	-
Rates and Taxes	0.01	-	-	-
Power, Electricity and Water charges	1.66	1.81	-	-
Insurance	1.76	0.69	-	-
Travelling & conveyance	0.01	0.03	-	-
Printing & stationery	0.01	0.02	-	-
Postage, telephone & telex	0.10	0.04	-	-
Legal & Professional charges	0.11	0.08	-	-
Write off - Intangible assets under development	15.07	-	-	-
Auditors remuneration (Refer Note Below)	-	-	0.02	0.01
Advertisement & publicity	-	-	0.12	0.07
Miscellaneous expenses	0.04	0.01	-	-
Provisions (Addition - Write off) (Refer Note 13)	2.69	24.82	-	-
Provisions Utilised (Refer Note 13)	(0.60)	(159.36)	-	-
Total	**42.70**	**42.00**	**0.14**	**0.08**

Note - Payment to Statutory Auditors:

Particulars	For the Year ended 31st March 2021	For the year ended 31st March 2020
(a) Audit Fee - current year	0.009	0.01
(b) Tax Audit Fees - current year	0.003	-
(c) Fee for Quarterly Limited Review	0.004	-
(d) Certification Fees	0.003	-
(e) Travelling & out of pocket expenses:		
- Travelling Expenses	-	-
- Out of Pocket Expenses	-	-
Total	**0.02**	**0.01**

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19 Employee Remuneration and Benefits (Refer Note 26)

(Rs. in crore)

Particulars	For the Year ended 31st March 2021			For the period ended 31st March 2020		
	Project Expenses	Other Expenses	Total	Project Expenses	Other Expenses	Total
Salaries, Wages and Bonus	2.12	-	2.12	2.42	-	2.42
Contribution to Provident and Other Funds	0.14	-	0.14	0.15	-	0.15
Foreign Service Contribution	-	-	-	-	-	-
Retirement Benefits	0.20	-	0.20	0.25	-	0.25
Staff Welfare	-	-	-	-	-	-
Total	**2.46**	**-**	**2.46**	**2.82**	**-**	**2.82**

(Refer note 28 for details of remuneration to Directors and Key Management Personnel)

20 Finance Costs

(Rs. in crore)

Particulars	For the Year ended 31st March 2021		For the period ended 31st March 2020	
Interest Expense (Refer note no. 37(k))	-		19.94	
Less:- Interest earned on Loan funds	-	-	-	19.94
Other Borrowing Cost				
- Bank Guarantee & Other Charges		0.01		0.01
Total		**0.01**		**19.95**

21 Depreciation, Amortisation and Impairment

(Rs. in crore)

Particulars	For the Year ended 31st March 2021	For the period ended 31st March 2020
Depreciation of Property, Plant and equipment	0.02	0.01
Amortization of Intangible Assets	23.06	23.03
Total	**23.08**	**23.04**

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IRCON PB TOLLWAY LIMITED (CIN - U45400DL2014GOI272220)
Notes to Financial Statements for the period ended 31st March 2021

Note:-22
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 2021 are as follows: *

(Rs. in crore)

Particulars	Carrying Value	Fair Value Level 1	Fair Value Level 2	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	0.08	-	-	-
(iii) Other Financial Assets	4.20	-	-	-
Total	**4.28**	-	-	-

(Rs. in crore)

Particulars	Carrying Value	Fair Value Level 1	Fair Value Level 2	Fair Value Level 3
Financial Liabilities at Amortized Cost				
(i) Borrowings	336.00	-	-	
(ii) Other Financial Liabilities	4.76	-	-	
Total	**340.76**			

b) The carrying values and fair values of financial instruments by categories as at 31st March 2020 are as follows: *

(Rs. in crore)

Particulars	Carrying Value	Fair Value Level 1	Fair Value Level 2	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	0.00	-	-	-
(iii) Other Financial Assets	52.13	-	-	-
Total	**52.13**	-	-	-

(Rs. in crore)

Particulars	Carrying Value	Fair Value Level 1	Fair Value Level 2	Fair Value Level 3
Financial Liabilities at Amortized Cost				
(i) Borrowings	417.22	-	-	-
(ii) Other Financial Liabilities	4.30	-	-	-
Total	**421.52**	-	-	-

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

The fair values of the financial assets and financial liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties. Methods and assumptions used to estimate the fair values are consistent with those used for the financial year 2019-20. The following methods and assumptions were used to estimate the fair values

i) The carrying amount of financial assets and financial liabilities measured at amortized cost in these financial statements are at reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

ii) The carrying amounts of current financial assets and current financial liabilities approximate their fair value mainly due to their short term nature.

* During the financial year 2020-21 and 2019-20, there were no transfers between Level 1, Level 2 and Level 3 fair value measurements.

B. Financial Risk Management

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

a) Market Risk

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

(i) Foreign Currency Risk

The company operates domestically and is exposed to insignificant foreign currency risk (since receipts & payments are received in Indian Rupees).
As of March 31, 2021 and March 31, 2020, every 1% increase or decrease of the respective foreign currency would impact our profit before tax by approximately Rs. NIL and Rs. NIL respectively.

(ii) Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instruments will fluctuate because of change in market interest rate. The company manages its interest risk in accordance with the companies policies and risk objective. Financial instruments affected by interest rate risk includes borrowings and deposits with banks. Interest rate risk on these financial instruments are very low as interest rate is fixed for the period of financial instruments. Also, the Company's interest risk on loans / borrowings is insignificant as the interest rate linked to the bank base rate changes marginally.

b) Credit Risk

The Company's customer profile include Government Ministries, Public Sector Enterprises, Government Highway Authorities and individual Toll users. 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, Viability Gap Funding, monthly progress payments, payments for change of scope work 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. Other than these, the Company's customers are individual users of the Toll Road, where credit risk is insignifcant.

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.

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Exposure to Credit Risk

(Rs. in crore)

Particulars	As at 3/31/2021	As at 3/31/2020
Financial Assets for which allowance is measured using Lifetime Expected Credit Losses (LECL)		
Non Current Investments	-	-
Non Current Loans	-	-
Other Non Current Financial Assets	0.03	0.04
Current Investments	-	-
Cash and Cash Equivalents	11.30	12.76
Other Bank Balances	-	-
Current Loans	0.08	0.00
Other Current Financial Assets	2.38	50.25
Financial Assets for which allowance is measured using Simplified Approach	-	-
	-	-
Trade Receivables	12.38	9.66
Contract Assets	1.79	1.84

Summary of change in loss allowances measured using Simplified approach

Particulars	As at 3/31/2021	As at 3/31/2020
Opening Allowances	-	-
Provided during the year	-	-
Utilization during the year	-	-
Amount written-off	-	-
Closing Allowances	-	-

During the year, the Company has recognised loss allowance of Rs. NIL (31 March, 2020 : Rs. NIL).

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

Particulars	As at 3/31/2021	As at 3/31/2020
Opening Allowances	-	-
Provided during the year	-	-
Utilization during the year	-	-
Amount written-off	-	-
(Exchange Gain) / Loss	-	-
Closing Allowances	-	-

No significant changes in estimation techniques or assumptions were made during the reporting period.
During the year, the Company has recognised loss allowance of Rs. NIL (31 March, 2020 : Rs. NIL).

c) Liquidity risk

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

The senior Management of the Company oversees its investment strategy and achieve its investment objectives. The Company typically invests in Bank Flexi accounts and Fixed deposits with Government Banks. The primary objective of minimising the potential risk of principal loss.

The table below provides details regarding the significant financial liabilities as at 31st March 2021 and 31st March 2020

(Rs. in crore)

Particulars	As on 31st March ,2021		
	Less than 1 Year	1-2 years	2 Years and above
Borrowings	-	79.37	256.63
Trade payables	15.07	-	-
Other financial liabilities	4.76	-	-

(Rs. in crore)

Particulars	As on 31st March 2020		
	Less than 1 Year	1-2 years	2 Years and above
Borrowings	79.37	97.00	240.85
Trade payables	7.24	-	-
Other financial liabilities	4.30	-	-

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.

C. Capital Management

The objective of the Company is to manage its capital in a manner to ensure and safeguard their ability to continue as a going concern so that company can continue to provide maximum returns to share holders and benefit to other stakeholders. Further, company manages its capital structure to make adjustments in the light of changes in economic conditions and requirements of the financial covenants.

Company has taken a term loan during the FY 2020-21 of Rs NIL (Cumulative till FY 2019-20 Rs 417,22,00,000) from its holding company to finance its project.

Debt Equity Ratio :-

(Rs. in crore)

Particulars	As at 3/31/2021	As at 3/31/2020
Borrowings (Note No. 12.1 & 14.2)	336.00	417.22
Long Term Debt	336.00	417.22
Equity (Note No. 10)	165.00	165.00
Other Equity (Note No. 11)	(36.76)	(15.38)
Total Equity	128.24	149.62
Debt Equity Ratio	2.62	2.79

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Note:- 23 Service Concession Arrangements (SCA) to Ind AS-115-"Revenue from Contract with customers"

Public-to-private service concession arrangements are recorded in accordance with Appendix "C"- Service Concession Arrangements to Ind AS-115-"Revenue from Contract with customers". This SCA is falling within this appendix's scope as both the conditions set out below are met:

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

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

An intangible asset is recognized to the extent that the operator receives the right to charge users of the public service, provided that these charges are conditional on the degree to which the service is used.

These intangible 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 amortized over the term of the concession.

Ircon PB Tollway Limited (IPBTL) (the operator) has entered into a service concession arrangement with National Highway Authority of India (NHAI) dated 7th November 2014 in terms of which NHAI (the grantor) has authorized the company to develop, finance, design, engineer, procure, construct, operate and maintain the Project of four laning of Bikaner Palaudi Section and to exercise and/or enjoy the rights, powers, benefits, privileges authorizations and entitlements upon its completion. In terms of the said agreement IPBTL has an obligation to complete construction of the project of four laning of Bikaner Palaudi section and to keep the project assets in proper working condition including all projects assets whose lives have expired.

The Concession period shall be 26 years commencing from the appointment date which is 14th October 2015. 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 Ircon PBTL have right to terminate the agreement if they are not able to cure the event of default in accordance with such agreement.

The Company recognizes revenue and cost in accordance with Ind AS 115 by reference to the construction's stage of completion. The Company measures contract revenue at the fair value of the consideration receivable. During the arrangement's construction phase, the Company's assets of 522.64 crores (representing its accumulating right to be paid for providing construction services minus the Equity support due from NHAI) is classified as an intangible assets (license to charge user of the infrastructure). SInce 2nd provisional COD has been received on 04.11.20 for 100% physical completion, Intangible asset has been created upto that extent. The Company has recognized revenue of 0.01 Crores on construction of intangible assets under service concession agreement for the period upto 31.03.21.The Company has also written back provisions for Rs 15.07 Crores being provision for estimated expenses of Toll Road, considered earlier under "Intangible assets under development" and now no longer required as per approval of management. Company has recognised revenue for change in scope (COS) works of the toll road for Rs 11.66 Crores upto 31.03.2021. The Company has recognized nil profit on construction of intangible assets under service concession arrangement and also COS works .The revenue recognized in relation to construction of intangible assets under service concession arrangement represents the fair value of services provided towards construction of intangible assets under service concession arrangement. The operation of toll road has commenced from 15th Feb 2019 , and the during the year company has recognised usage fee as revenue of Rs. 43.19 Crores (Previous Year - Rs. 45.20 Cr) from operation of toll roads.

Usage fee collected over and above the traffic cap as per the concession agreement is termed as excess fee. Since the Toll Road has recently been completed in November 2020 , impact of excess fee at present is not ascertainable, no provision or assessment of the same has been done .

Construction Contracts

In terms of the disclosure required in Ind AS -115 "Revenue from Contract with Customers" , the amount considered in the financial statements up to the balance sheet date are as follows:-

Particulars	Amount in Rs Crores	
	As at 3/31/2021	As st 3/31/2020
Revenue recognized from construction services	11.67	25.20
Revenue recognised from toll-Usage fee	43.19	45.20
Aggregate amount of cost incurred and recognized in Profit/Loss	11.67	25.20
Gross amount due from Client for Contract Works	12.38	9.66

Note 23 (b): As per Concession Agreement entered with NHAI, Company need to under take the work of shifting of utility including electricity lines, water pipes and telephone cables, if such utility cause a material adverse effect on the construction, operation and maintenance of the project . The cost of shifting of such utility shall be born by the Authority (NHAI) or by the entity owning the utility.

Company has subcontracted the entire work of utility shifting to Ircon International Limited (IRCON) on back to back basis after approval from NHAI. Amount yet to be received from NHAI to the tune of 1.71 crores is shown under Other financial assets current . Refer note 7.4

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Note:- 24 Disclosure as required by Ind AS 1 "Presentation of Financial Statements"

There has been no change in the significant accounting policies in the current financial year in comparison with last year.

Note:- 25 Disclosure as required by Ind AS 8 "Accounting Policies, Changes in Accounting Estimates and Errors"

There has been no change in the accounting estimantes or policies in the current financial year, and hence there is no financial impact of the same .

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Note:- 26 Employee Benefits

Disclosures in compliance with Ind AS 19 "Employee Benefits" are as under:

The employees working for IrconPBTollwayLimited (IPBTL) are posted on deputation / secondment and are on the rolls of Ircon International Limited, the Holding Company. Their PF contributions, pension contributions, gratuity, leave encashment and other retirement benefits have been accounted for on the basis of invoices / debit advises from its holding company. The provision for gratuity and other retirement benefits of employees on deputation in terms of IND AS-19 is being made by its Holding Company as per its accounting policies.

Provident fund contribution and pension contribution of the employees on deputation has been regularly deposited by the holding company with its P. F. Trust.

Note:- 27 (a) Foreign exchange recognised in the Statement of Profit and Loss:
NIL

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Note:- 28 Related Party Transactions

Disclosures in compliance with Ind AS 24 "Related Party Disclosures" are as under:

a) List of Related Parties

(i) Holding Company

Ircon International Limited

(ii) Non- Executive Directors

Name	Designation
Shri Shyam Lal Gupta	Chairman (upto 13th May 2021)
Shri Yogesh Kumar Misra	Chairman (w.e.f 13th May 2021)
Shri Ashok Kumar Goyal	Director
Shri Rajendra Singh Yadav	Director (upto 31st October 2020)
Smt Ritu Arora	Director (w.e.f 13th May 2021)
Ms. Bhuvaneshwari Krishnan	Director (upto 22nd December 2020)
Shri B. Mugunthan	Director (w.e.f. 23rd December 2020)

** All the Directors are Part-Time (Nominee) Directors nominated by the holding Company (i.e. Ircon International Limited).*

Other Members identified as Key Management Personnel (KMP)

Name	Designation
Shri Atul Kumar	Chief Executing Officer (upto 18th March 2021)
Shri Raju Maruti Kambale	Chief Executing Officer (w.e.f. 18th March 2021)
Shri Manjur Mohammad Gouri	Chief Financial Officer (upto 11th August 2020)
Ms. Meenakshi Garg	Chief Financial Officer (w.e.f. 11th August 2020)

Company Secretary

Name	Designation
Ms. Anuradha Kaushik	Company Secretary

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b) Transactions with Key Management Personnel (KMP) of the Company are as follows:

(Rs. in crore)

S.No.	Particulars	For the year ended 31st March 2021	For the year ended 31st March 2020
1	Short term employee benefits	0.64	0.59
2	Post employment benefits	0.03	0.08
3	Other long-term employee benefits	0.07	0.01
4	Termination benefits	0.00	0.00
5	Sitting fees	0.00	0.00
	Total	0.74	0.68

Transactions with other related parties are as follows:

(Rs. in crore)

S.No.	Nature of transaction	Name of related party	Nature of relationship	For the year ended 31st March 2021	For the year ended 31st March 2020
1	Purchase of goods and services	Ircon International Lmited	Holding Company	11.85	135.61
2	Reimbursement of Deputation Staff Expenses, Rent & Other Misc. Expenses (Income)	Ircon International Lmited	Holding Company	0.02	0.02
3	Interest Expense				
3.1	Interest Expense on Loan	Ircon International Lmited	Holding Company	-	19.94
4	Repayment of Loans	Ircon International Lmited	Holding Company	81.22	57.52
5	Advances /Loans Received	Ircon International Lmited	Holding Company	-	136.89
6	Purchase of Fixed Asset (excluding GST)	Ircon International Lmited	Holding Company	0.12	0

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

(Rs. in crore)

S.No.	Nature of transaction	Name of related party	Nature of relationship	As at 31st March 2021	As at 31st March 2020
1	**Equity Received (Liability)**	Ircon International Limited	Holding Company	165.00	165.00
2	**Borrowings**	Ircon International Limited	Holding Company	336.00	417.22
	Amount Payable towards				
1	**Trade Payables**	Ircon International Limited	Holding Company	14.92	5.03
				-	-

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, except in case of borrowings details of which are mentioned in note 12.1 (b).

(ii) Outstanding balances of related parties at the year-end are unsecured and settlement occurs through banking transactions. These balances other than loans and interest bearing advances are interest free.

(iii) The loans to key management personnel are on the same terms and conditions as applicable to all other employees.

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Note:- 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, 2021	For the year ended 31st March, 2020
Profit attributable to Equity holders (Rs. in crore)	(ii)	(21.38)	(17.17)
Weighted average number of equity shares for Basic and Diluted EPS (in crore)	(iii)	16.50	16.50
Earnings per share (Basic)		(1.30)	(1.04)
Earnings per share (Diluted)		(1.30)	(1.04)
Face value per share		10.00	10.00

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

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Profit for the year as per Statement of Profit and Loss	(21.38)	(17.17)
Profit attributable to Equity holders of the company used for computing EPS:	**(21.38)**	**(17.17)**

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

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Opening balance of issued equity shares	16.50	16.50
Equity shares issued during the year	-	-
Weighted average number of equity shares for computing Basic EPS	**16.50**	**16.50**
Dilution Effect:		
Add: Weighted average numbers of potential equity shares outstanding during the year	-	-
Weighted average number of equity shares for computing Diluted EPS	**16.50**	**16.50**

Note:- 30 Impairment of Assets

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

Note:- 31 Provisions, Contingencies and Commitments

(i) Provisions

The nature of provisions provided and movement in provisions during the year as per Ind AS 37 'Provisions, Contingent Liabilities and Contingent Assets' are disclosed in Note-13

(ii) Contingent Liabilities

Disclosure of Contingent Liabilities as per Ind AS 37 'Provisions, Contingent Liabilities and Contingent Assets' is as under:-

(Rs. in crore)

	Particulars		As at 31st March 2020	Addition during the year	Claims settled during the year			As at 31st March 2021
					Out of the opening balance	Out of addition during the year	Total Claims Settled during the year	
a)	**Claims against the Company not acknowledged as debts :**		-	-	-	-	-	-
b)	**Guarantees (excluding financial guaratees) issued by the company on behalf of**		-	-	-	-	-	-
c)	**Other money for which company is contingent liable**		-	-	-	-	-	-
			-	-	-	-	-	-

(iii) Commitments

(Rs. in crore)

	Particulars	Foot Note	As at 31st March 2021	As at 31st March 2020
a)	**Capital Commitments**			
	Estimated amount of contracts remaining to be executed on capital account (net of advance) and not provided for:	1	-	2.77

Foot Note:

(Rs. in crore)

1	S.No	Capital Commitments	As at 31st March 2021	As at 31st March 2020
	1	Estimated amount of contracts remaining to be executed on Property, Plant and Equipment		
	2	Estimated amount of contracts remaining to be executed on Investment Property		
	3	Estimated amount of contracts remaining to be executed on Intangible Assets under development	-	2.77
		Total	-	**2.77**

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Note :- 32 Segment Reporting

Disclosure as per Ind AS 108 " Operating Segment" is given as under:

A. 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 operating segments have been reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM) for review of performance and allocating resources.

The Company has determined only one reportable segment , information given below is for only such segment.

BInformation about reportable segments and reconciliation to amounts reflected in the financial statements:

(Rs. in crore)

Particulars	Domestic		Total	
	For the year ended 31st March 2021	For the year ended 31st March 2020	For the year ended 31st March 2021	For the year ended 31st March 2020
Segement Revenue				
Revenue from external customers	54.86	70.40	**54.86**	**70.40**
Add : Company's share of turnover in integrated joint operations	-	-	-	-
Total Operating Revenue	**54.86**	**70.40**	**54.86**	**70.40**
Interest income	0.30	0.30	**0.30**	**0.30**
Other Income	0.14	0.03	**0.14**	**0.03**
Inter - segment	-	-	-	-
Total Revenue	**55.30**	**70.73**	**55.30**	**70.73**
Segement Result				
Profit before provision, depreciation, interest and exceptional item and tax	12.08	(108.72)	**12.08**	**(108.72)**
Less: Provisons and write back	(2.09)	134.54	**(2.09)**	**134.54**
Less: Depreciation,amortization and impairment	(23.08)	(23.04)	**(23.08)**	**(23.04)**
Less: Interest	-	(19.94)	-	**(19.94)**
Profit before tax	**(13.09)**	**(17.16)**	**(13.09)**	**(17.16)**
Less: Tax expense	(8.29)	(0.01)	**(8.29)**	**(0.01)**
Profit after tax	**(21.38)**	**(17.17)**	**(21.38)**	**(17.17)**

COther Information

(Rs. in crore)

Particulars	Domestic		Total	
	For the year ended 31st March 2021	For the year ended 31st March 2020	For the year ended 31st March 2021	For the year ended 31st March 2020
Total Assets	509.34	594.17	509.34	594.17
Total Liabilities	381.10	444.55	381.10	444.55
Investment in joint ventures accounted for by equity method	0.00	0.00	0.00	0.00
Non current asset other than financial instruments, deferred tax assets, net defined benefit assets	0.00	0.00	0.00	0.00
Capital Expenditure for the year ending (Addition to PPE, CWIP, Investment Property, Other Intangible Assets, Intangible assets under development and Right-to-use)*	(14.92)	12.17	(14.92)	12.17

*The Capital expenditure amount is net of Equity cash support given by NHAI (Refer note 4)

D. Information about major customer

The Company is engaged in the business of construction , operation , maintenance of Toll Road and its major revenue is from the collection of the Toll Proceeds from the vehicles that use the said Toll Road. Approximately 78.73% (Previous Year 64.20%) of the revenue has arisen from these during the period ended March 31, 2021, in the Domestic Segment only. Remaining approximately 21.27% (Previous Year 35.80%) revenue is for construction of Toll Road under service concession agreement with NHAI.

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Note:- 33 Disclosure as required by Ind AS 115 "Revenue from contract with customers"

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

(Rs. in crore)

Type of Product or Services	For the year ended March 31, 2021						
	Revenue as per Ind AS 115			Method for measuring performance obligation		Other Revenue	Total as per Statement of Profit and Loss /Segment Reporting
	Domestic		Total	Input Method	Output Method		
Railways	-	-	-	-	-	-	-
Highway	54.86	-	54.86	54.86	-	-	54.86
Electrical	-	-	-	-	-	-	-
Building	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-
Total	54.86	-	54.86	54.86	-	-	54.86

Out of the total revenue recognised under Ind AS 115 during the year, Rs 11.66 Crores is recognised over a period of time and Rs. 43.20 crore recognised at a point in time.

(Rs. in crore)

Type of Product or Services	For the year ended March 31, 2020						
	Revenue as per Ind AS 115			Method for measuring performance obligation		Other Revenue	Total as per Statement of Profit and Loss /Segment Reporting
	Domestic		Total	Input Method	Output Method		
Railways	-	-	-	-	-	-	-
Highway	70.40	-	70.40	70.40	-	-	70.40
Electrical	-	-	-	-	-	-	-
Building	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-
Total	70.40	-	70.40	70.40	-	-	70.40

Out of the total revenue recognised under Ind AS 115 during the year, Rs 25.20 crore is recognised over a period of time and Rs. 45.20 crore recognised point in time.

B. 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.

C. Contract balances

(Rs. in crore)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Trade Receivables (Note 7.1)	12.38	9.66
Contract Assets (Note 5 and 7.4)	1.79	1.84
Contract Liabilities	-	-

(i) Trade receivables are non-interest bearing and the customer profile includes National Highway Authority of India (NHAI) and Toll Collection Agency. The Company's average project execution cycle is around 24 to 36 months. General payment terms include payments for utility shifting reimbursements and change in scope of work mutually agreed upon if any, with a credit period ranging from 60 to 180 days or when the work is certified Payments also includes Toll receipts for use of Toll collected by the Toll Collection Agency for the Company. Project executed by the Company is under BOT (built operate transfer) model and the payments are on account of Toll Collection and additional works by NHAI, if any.

(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.

Movement in contract balances during the year

(Rs. in crore)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Contract asset at the Beginning of the year	1.84	1.84
Contract asset at the end of the year	1.79	1.84
Net increase/decrease	0.05	-

For the financial year 2020-21, there has been net reduction by Rs 0.05 Crore as compared to last year. This was on account reduction for Money withheld by client of Rs 0.88 Crores which was received during the financial year (Note 7.4) and addition of Billable revenue of Rs 0.83 Crores booked in FY 20-21 but billed to Client in FY 21-22 (Note 7.4). Contract Assets as on 31.03.2021 is of Rs 1.79 Crore, out of which Rs 0.96 Crore is on account of Retention money, which is expected to be received after final completion of the project (Note 7.4) and balance Rs 0.83 Crores is billable revenue, billed to Client in FY 21-22 (Note 7.4).

(Rs. in crore)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Contract liabilities at the beginning of the year	-	-
Contract liabilities at the end of the year	-	-
Net increase/decrease	-	-

D. Set out below is the amount of revenue recognised from:

(Rs. in crore)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Amount included in contract liabilities at the beginning of the year	-	-
Performance obligation satisfied in previous years	-	-

E. Cost to obtain the contract
Amount recognised as asset as at 31st March, 2021 is Rs. Nil (As at 31st March, 2020: Rs. Nil)
Amount of amortisation recognised in the statement of profit and loss during the year is Rs. Nil (FY 2019-20: Rs. Nil)

F. Performance obligation
Information about the Company's performance obligations are summarised below:

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

(Rs. in crore)

	As at 31st March, 2021	As at 31st March, 2020
Within one year	-	-
More than one year to 2 years	-	-
More than 2 years	-	-
Total	-	-

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Note :- 34 Leases

a) Company as a Lessee

The Company as a lessee has entered into two lease contracts, for office space and guest house. Before the adoption of Ind AS 116, the Company classified each of its leases (as lessee) at the inception date as either a finance lease or an operating lease. These leases are in nature of short term leases and are operating leases.

Lease Liabilities

Set out below are the carrying amounts of lease liabilities recognised and the movements during the year:

(Rs. in crore)

	As at 31st March, 2021	As at 31st March, 2020
Opening Balance	-	-
Addition	-	-
Accredition of interest	-	-
Payments	-	-
Closing Balance	-	-
Current	-	-
Non-current	-	-

Amounts recognised in Statement of Profit and Loss

(Rs. in crore)

	For the year ended 31st March 2021	For the year ended 31st March 2020
Depreciation expense of right-of-use assets	-	-
Interest expense on lease liabilities	-	-
Expense relating to short-term leases (Refer Note 18)	0.04	0.08
	0.04	**0.08**

b) Company as a Lessor

At present, Company has not given any item on lease.

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Note:- 35 Information in respect of dues to Micro and Small Enterprises as required by Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act)

(Rs. in crore)

S.No.	Particulars	As at 31st March, 2021	As at 31st March, 2020
1	The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year:	-	-
	Principal amount due to micro and small enterprises	-	-
	Interest due on above	-	-
2	The amount of interest paid by the buyer in terms of Section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
3	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006	-	-
4	The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
5	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the MSMED Act 2006	-	-

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Note:- 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. Since the average net profits of the Company are negative , no amount has been spent on CSR activities.

Note:- 37 Other disclosures

a) Some of the balances shown under debtors, advances and creditors are 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) Company has received provisional Commercial Operation Date (COD) on 15th Feb 2019 for work awarded by NHAI for widening and strengthening of the existing Bikaner – Phalodi Section to 4 lane from Km. 4.200 to Km. 55.250 and 2 Lane with Paved shoulder from Km. 55.250 to Km. 163.50 of NH 15 in the state of Rajasthan on DBFOT (Design, Built, Finance, and Operate & Transfer) basis.

Company has completed physical progress as per certified Independent Engineer's assessment for the month of Feb 19 at 95.93%. Based on the physical progress achieved at that time and the approved estimated costs at that time an amount of Rs 520.75 crores had been transferred to Intangible Asset- Toll Road (refer note 4). In the current financial year final completion of 100% was achieved on 04.11.2020 & incremental addition which has been capitalised under Intangible Assets under development being transferred to Intangible Asset head.

d) As per Indian Accounting Standard (Ind AS) 115 Annexure C, on Accounting for Service concession agreements – Cash Support from NHAI are recognized at their fair value where there is a reasonable assurance that the grant - Cash support will be received and the company will comply with all attached conditions. The Accounting treatment of the same has been made as per the mentioned Ind AS 115.

Grant recognized by the company as per service concession agreement is Nil (previous year Rs. 327 Crs) based on the Original project cost and original financial package. Further company has reduced Intangible Assets – Road by amount of grant recognized.

e) As per Service Concession Agreement entered with NHAI, Company need to undertake the work of shifting of utility including electric lines, water pipes and telephone cables, if such utility cause a material adverse effect on the construction, operation and maintenance of the project. The cost of shifting of such utility shall be borne by the Authority (NHAI) or by the entity owing the utility.

Company has subcontracted the entire work of Utility Shifting to IRCON International Limited on back to back basis after approval from NHAI. Upto 31st March 2021, IRCON International Limited has billed an amount of Rs. 31.46 crores (Rs 31.46 Crore upto 31st March 2020) to the company. Company has filed claims to NHAI from time to time and the same is under reconciliation. An amount of Rs. 29.75 Crs. (Incl TDS) has been received from NHAI till 31stMarch 2021 against these claims. Balance amount of Rs. 1.71 Crs (Previous Year Rs 2.71 Crs) is reported as 'other receivable' under Current Assets - Other Financial Assets (Note 7.4) and is under reconciliation with the NHAI and is yet to be received from / confirmed by NHAI.

f) An amount of VAT on works contract receivable for Rs 57.47 Lakhs is appearing in 'other receivables' under Current Assets - Other Financial Assets (Note 7.4) being the VAT deducted by NHAI in the previous VAT regime on utility shifting. Efforts are being made for recovery of the same from the Client / Tax Department. Recovery of amount due from NHAI on account of Utility shifting is under reconciliation.

g) The amount retention money of Rs. 95.78 Lakhs (Previous Year Rs. 95.78 Lakhs) is shown under "Current Assets - Other Financial Assets" as efforts are being made for its recovery from the Client and the management is hopeful for its recovery in next 12 months.

h) During the financial year ended 31.3.2021, Company has raised invoice to NHAI for work done under Change of Scope of Rs 11.66 Crore (Rs. 13.98 Crore up to 31/03/2020). This Amount is considered as trade receivable and the same is under reconciliation with the NHAI and is yet to be received from / confirmed by NHAI.

i) The duration and impact of the COVID-19 pandemic remains unclear at present as on reporting date. Hence, it is not possible to reliably estimate the duration and severity of these consequences, as well as their impact on the financial position and results of the Company for future periods. However, the company is protected by the clauses 29.6 of the Concession Agreement to claim such loss under force majeure event in the form of revenue loss compensation by way of extension of the concession period. The impact of the lockdown disruption/ COVID-19 pandemic will have to be assessed from time to time and communicated as we progress during the current financial year. A lot depends on the success of the various pandemic containment efforts being undertaken by the State and Central Governments and Health authorities. It is therefore premature to forecast the future impact with credibility at this stage.

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

k) Company has issued addendum dated 15.12.2020 for the repayment of loan in 12 years of structured quarterly instalments starting from 01.07.2019 . The Company has provided for Interest on Loan for Rs 19.94 Crores upto 30.9.2019, however the proposal for waiver of interest for the period from 01.10.2019 till 31.03.2021, is under consideration of the holding company.

As per our Report of even date attached

For A.N. Garg & Co.
Chartered Accountants
FRN 004616N

A.N. Garg
FCA Partner
M. No. 083687
UDIN 21083687AAAAFV4177

Place : New Delhi
Date : 15.06.2021

For and on behalf of Board of Directors

(Yogesh Kumar Misra)
(Chairman)
(DIN No.07654014)

(B. Mugunthan)
(Director)
(DIN No. 8517013)

(R.M. Kambale)
(Chief Executive Officer)

(Meenakshi Garg)
(Chief Financial Officer)

(Anuradha Kaushik)
(Company Secretary)

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 PB TOLLWAY LIMITED FOR THE YEAR ENDED 31 MARCH 2021

The preparation of financial statements of **IRCON PB TOLLWAY LIMITED** for the year ended 31 March 2021 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 is the responsibility of the management of the company. The Statutory Auditors appointed by the Comptroller and Auditor General of India under Section 139 (5) of the Act are 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 15 June 2021.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of **IRCON PB TOLLWAY LIMITED** for the year ended 31 March 2021 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 auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

On the basis of my supplementary audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditors' report under section 143 (6) (b) of the Act.

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

Place: New Delhi
Dated: 05.08.2021

(K. S. Ramuwalia)
Principal Director of Audit
Railway Commercial, New Delhi

IRCON PB TOLLWAY LIMITED ('IrconPBTL')

(Bikaner-Phalodi Highway Project, NH-15, Rajasthan)

Registered & Corporate Office:

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