

ANNUAL REPORT

2024

IRCON HARIDWAR BYPASS LIMITED

(A Wholly owned subsidiary of Ircon International Limited)

(CIN: U45209DL2022GOI392406)



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COMPANY PROJECT

Upgradation and Four Laning of Haridwar Bypass Package-1 From Km.0+000 (Km 188+100 of NH-58) to Km. 15+100 (km 5+100 of NH 74) in the State of Uttarakhand on Hybrid Annuity Basis in accordance with the terms of concession agreement with National Highways Authority of India (NHAI).

BOARD OF DIRECTORS

Mr. Masood Ahmad, Chairman

Mr. B. Mugunthan, Director

Mr. Alin Roy Choudhury, Director

STATUTORY AUDITOR

M/s. Ravi Ramesh & Associates,
Chartered Accountant

EPC CONTRACTOR TO COMPANY

Ircon International Limited

CONTACT PERSON

Mr. Shashwat Chaudhary
Compliance Officer
Email id: cospv.ircon@gmail.com
Tel: 26545000

RESGISTERED OFFICE

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

BOARD OF DIRECTORS



Mr. Masood Ahmad
Chairman



Mr. B. Mugunthan
Director



Mr. Alin Roy Choudhury
Director

CHAIRMAN'S MESSAGE



Dear Shareholders,

It gives me immense pleasure to welcome you all on behalf of the esteemed members of the Board to the second (02nd) Annual General Meeting (AGM) of Ircon Haridwar Bypass Limited (IrconHBL). The Directors' Report and the Audited Financial Statements for the period ended on 31st March, 2024, are already with you and with your kind permission, I take them as read. I would like to express my sincere gratitude for making it convenient for attending the AGM.

Ircon International Limited ("IRCON") has been awarded the work of Upgradation and Four Laning of Haridwar Bypass Package-1 From Km.0+000 (Km 188+100 of NH-58) to Km. 15+100 (km 5+100 of NH 74) ('the Project') in the State of Uttarakhand on Hybrid Annuity Basis (HAM) by National Highway Authority of India (NHAI). In terms of condition stipulated in Letter of Award issued by NHAI, IRCON has incorporated your Company as its wholly-owned subsidiary and a Special Purpose Vehicle for execution of the Project.

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

IrconHBL has entered into Concession Agreement with NHAI on 08th March, 2022. and the concession period of the project comprises of construction period of 730 days from the appointed date and operation & maintenance period of 15 years commencing from Commercial Operation Date (COD). IRCON has been appointed as EPC Contractor in terms of technical bid submitted by IRCON to NHAI. The appointed date declared by NHAI is 31st October, 2022.

Further as per Concession Agreement the Bid Project Cost is Rs.861 Crore Plus GST (excluding escalation). The 40% of the project bid cost shall be reimbursed by NHAI during construction phase and balance 60% will be receivable after construction in the form of

Annuity. The company will finance the cost of project by way of debt of Rs.447.61 crore, quasi-equity of Rs.111.85 crore and equity of Rs.5 lakhs. In respect of debt, State Bank of India has sanctioned the term loan of Rs.447.61 crore. As on 31st March, 2024 your company has availed loan amounting to Rs.112.97 crores.

IRCON has been appointed as EPC Contractor for execution of the project work including O&M for five (05) years at EPC price of Rs.784.58 plus applicable GST. Presently construction activities at project has started from the appointed date of 31st October, 2022 and the works are progressing on the available front.

Compliances and Disclosures

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

Memorandum of Understanding (MoU): Your Company has requested IRCON to grant it exemption from compliance of Annual MoU exercise for the financial year 2024-25, in line with the Memorandum of Understanding (MoU) Guidelines issued by Department of Public Enterprises (DPE) dated 10th March, 2023 and IRCON vide its letters dated 21st March, 2024 has granted exemption to the Company from compliance of Annual MOU exercise for the financial year 2024-25.

Acknowledgements

I, on behalf of Board of Directors, express my heartfelt thanks for the valuable assistance and co-operation extended to the Company by MoRTH, NHAI, Ircon International Limited, Auditors of the Company and all those who have supported and guided us during the year. I express my deep gratitude to employees for their dedication, intellect, hard work. And last, but not least, I would like to thank my colleagues on the Board for their contribution and continuous support.

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

**For and on behalf of Board of Directors
of Ircon Haridwar Bypass Limited**

**Sd/-
(Masood Ahmad
Chairman
DIN: 09008553**

**Date: 2nd August, 2024
Place: New Delhi**

DIRECTORS' REPORT

Dear Members,

Your Directors have immense pleasure in presenting the **02nd Annual Report** of **Ircon Haridwar Bypass Limited (IrconHBL)** together with the Audited Financial Statements of the Company and Auditor's Report for the Financial Year ended on 31st March, 2024.

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

IrconHBL, a wholly owned subsidiary of IRCON International Limited (IRCON) was incorporated on 13th January, 2022 as a Special Purpose Vehicle (SPV) with the main object to carry the business of Upgradation and Four Laning of Haridwar Bypass Package-1 From Km.0+000 (Km 188+100 of NH-58) to Km. 15+100 (km 5+100 of NH 74) ('the Project') in the State of Uttarakhand on Hybrid Annuity Basis in accordance with the terms of Concession Agreement with National Highways Authority of India (NHAI).

IrconHBL has entered into Concession Agreement with NHAI on 08th March, 2022. and the concession period of the project comprises of construction period of 730 days from the appointed date and operation period of 15 years commencing from Commercial Operation Date (COD). IRCON has been appointed as EPC Contractor in terms of technical bid submitted by IRCON to NHAI. The appointed date declared by NHAI is 31st October, 2022.

Further as per Concession Agreement the Bid Project Cost is Rs.861 Crore Plus GST (excluding escalation). The 40% of the project bid cost shall be reimbursed by NHAI during construction phase and balance 60% will be receivable after construction in the form of Annuity. The company will finance the cost of project by way of debt of Rs.447.61 crore & equity of Rs.111.85 crore. In respect of debt, State Bank of India has sanctioned the term loan of Rs.447.61 crore. As on 31st March, 2024 your company has availed loan amounting to Rs.112.97 crores.

IRCON has been appointed as EPC Contractor for execution of the project work including O&M for five (05) years at EPC price of Rs.784.58 plus applicable GST. Presently construction activities at project has started from the appointed date of 31st October, 2022 and the works are progressing on the available front.

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 2023-24 as per Indian Accounting Standards (IND AS).

Financial performance indicators as on 31st March, 2024:

(Rs. in lakh)

Sl. No.	Particulars	For the Year ended 31.03.2024	For the period from 13.01.2022 to 31.03.2023*
1.	Equity Share Capital	5.00	5.00
2.	Other Equity (includes Reserves and Surplus)	8,584.99	8,294.00

3.	Net Worth	8,589.99	8,299.00
4.	Total Assets and Liabilities	24,556.58	8,761.81
5.	Revenue from Operations	21,870.48	5,205.63
6.	Other Income	249.86	103.92
7.	Total Income (5) + (6)	22,120.34	5,309.55
8.	Profit Before Tax	361.02	103.28
9.	Profit After Tax	270.80	77.06
10.	Earnings Per Equity Share (on face value of Rs.10/- per share)		
	(i) Basic	541.60	154.12
	(ii) Diluted	541.60	154.12

**The company is incorporated on 13th January, 2022 as wholly owned subsidiary of Ircon International Limited, hence corresponding figure of previous period are not provided.*

3. DIVIDEND & APPROPRIATION TO RESERVE:

The Board of Directors does not recommend any dividend for the period under review.

As per the applicability of Ind AS, Reserves are reflected as Retained Earnings under the head "Other Equity" in Financial Statements and your Company has a balance of Rs.347.87 Lakhs in Retained Earnings as on 31st March, 2024.

4. SHARE CAPITAL/ DEMATERIALISATION:

Your Company was incorporated with an Authorized Share Capital and the Paid-up Share Capital of the Company of Rs.5 Lakh comprising of 50,000 Equity Shares of Rs.10/- each. Ircon International Limited (IRCON) hold 100% of the paid-up share capital of IrconHBL. Since, the incorporation of the Company i.e., 13th January, 2022, there was no change in the share capital of your company.

As per Rule 9A of the Companies (Prospectus and Allotment of Securities) Amendment Rules, 2019 dated 22nd January, 2019, the Company being a wholly owned subsidiary (WoS) is not required to get its securities in dematerialised form.

5. CASH FLOWS FROM THE PROJECT:

The Company is having a negative Cash Flows from operating activities of Rs.10,521.24 lakhs for the financial year ended 31st March, 2024.

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

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

7. BOARD OF DIRECTORS & KEY MANAGEMENT PERSONNEL:

Board of Directors:

CATEGORY & NAME OF THE DIRECTORS WITH DESIGNATION DURING THE YEAR 2023-24:

During the year under review, the holding Company (IRCON) had nominated Mr. Alin Roy Choudhury [having DIN: 10489550], as the Part-time (Nominee) Director of your Company w.e.f. 2nd February, 2024 vice Mr. Devendra Kumar Sharma. Mr. Devendra Kumar Sharma ceased to be the Director of your Company consequent to withdrawal of nomination by the holding Company (IRCON) w.e.f. January, 31, 2024.

As per Articles of Association of the Company, the Board of the Company is appointed by the holding company (IRCON).

As on 31st March, 2024, total number of Director is three (3) including the Chairman, nominated by IRCON. Details of Directors are as follows:

Category, Name & Designation	DIN	Appointment or Cessation (during the year, if any)
Mr. Masood Ahmad, Chairman	09008553	Re-designated as Chairman of the Company w.e.f 01 st February, 2024
Mr. B. Mugunthan, Director	08517013	Regularized at 1 st AGM of the Company held on 4 th August, 2023
Mr. Alin Roy Choudhury	10489550	Appointed as Part-time (Nominee) Director w.e.f. 2 nd February, 2024

In accordance with the provisions of Section 152(6) the Companies Act, 2013, all Directors of the Company shall be liable to retire by rotation at the Annual General Meeting of your Company. Mr. Masood Ahmad will retire by rotation at the Annual General Meeting of your Company and being eligible, offers himself for re-appointment. The Board of Directors recommends his reappointment as Director and his brief resume is annexed to the Notice of the Annual General Meeting.

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

Key Management Personnel (KMP):

As per Section 203 of the Companies Act, 2013, your Company is not required to appoint any Key Management Personnel (KMP) during the period under review.

8. Board Meetings:

During the period under review, the Board met four (4) times on 10-05-2023, 01-08-2023, 02-11-2023, and 31-01-2024. The interval between two Board Meetings were within the period prescribed under the Companies Act, 2013. The attendance detail of the Board Meetings is as follows:

Date of the Meeting	Board Strength	No. of Directors Present
10-05-2023	3	3
01-08-2023	3	3
02-11-2023	3	2
31-01-2023	3	3

The table below shows attendance of the Board members at the Board Meetings held during the period under review:

Name of Directors	Meeting Date				Whether attended last AGM	Total Board Meeting entitled to attend during FY 2023-24	No. of Board Meetings attended during FY 2023-24	% Attendance
	12.05.2023	01.08.2023	02.11.2023	31.01.2024				
Mr. Masood Ahmad	✓	✓	✓	✓	Yes	3	3	100
Mr. Devendra Kumar Sharma	✓	✓	✓	✓	Yes	3	3	100
Mr. B. Mugunthan	✓	✓	✓	✓	Yes	3	3	100
Mr. Alin Roy Choudhury	NA	NA	NA	NA	Yes	NA	NA	NA

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

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

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

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

10. DIRECTORS' RESPONSIBILITY STATEMENT:

The Board of Directors of the Company confirms:

- a) that in the preparation of the annual financial statements for the year ended 31st March, 2024, 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, 2024 and of the Profit & Loss of the Company for that period ended on that date;
- c) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) that the annual financial statements have been prepared on a going concern basis;
- e) that proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

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

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

12. STATUTORY AUDITORS:

M/s. Ravi Ramesh & Associates, Chartered Accountants, had been appointed as Statutory Auditors, for the Financial Year 2023-24 vide CAG letter No./CA.V/COY/ DELHI, IRCHBL(1)/335 dated 13th September, 2023. M/s. Ravi Ramesh & Associates, Chartered Accountants, have confirmed by way of a written consent and certificate as required under Section 139(1) of the Companies Act, 2013.

13. STATUTORY AUDITORS' REPORT AND C&AG COMMENTS

The reports of the Statutory Auditors on the Financial Statements for the Financial Year 2023-24 with nil observation are attached separately as part of the Annual Report along with Non-Review Certificate received from Comptroller & Auditor General (C&AG) of India for the financial year 2023-24.

14. COST RECORDS

Maintenance of cost records as specified by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013, was applicable to the Company during Financial Year 2023-24.

15. SECRETARIAL AUDIT REPORT

The requirement of obtaining a Secretarial Audit Report under Section 204 of the Companies Act, 2013 from the practicing company secretary is not applicable to the Company.

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

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

17. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

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

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

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

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

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

A. Conservation of energy: -

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

B. Technology absorption: -

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

C. Foreign exchange earnings and Outgo: -

There was no Foreign Exchange Earnings and Foreign Exchange Outgo during the period under review.

20. RISK MANAGEMENT:

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

21. CORPORATE SOCIAL RESPONSIBILITY (CSR):

The provisions of Corporate Social Responsibility (CSR) under Section 135 of the Companies Act, 2013 were not applicable to the Company during the period under review.

22. PARTICULARS OF EMPLOYEES:

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

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

23. CHANGE IN THE NATURE OF BUSINESS:

There is no change in the nature of business of the Company during the period under review.

24. PUBLIC DEPOSITS:

During the period 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.

25. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

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

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

No order has passed by the Regulators or Courts or Tribunals impacting the going concern status of the Company and its operations in future during the period under review.

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

In exercise of powers conferred by section 9 of the Micro, Small and Medium Enterprise Development Act, 2006, the Central Government issued instructions that all companies registered under the Companies Act, 2013 with a turnover of more than Rs.500 crores and all CPSEs shall be required to get themselves on-boarded on the Trade Receivables Discounting System (TReDS) platform, set up as per the notification of the Reserve Bank of India. The Registrar of Companies (RoC) in each State shall be the competent authority to monitor the compliance of such instructions and also the Department of Public Enterprises, Government of India shall be the competent authority to monitor the compliance of such instructions by the CPSEs. In compliance with the above instruction, the Company has boarded on the TReDS platform w.e.f. 15th July, 2023, to facilitate the financing of trade receivables of MSEs by discounting of their receivables and realisation of their payment before the due date.

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

The Company being a wholly owned subsidiary of IRCON, 'Policy for Prevention, Prohibition and Redressal of Sexual Harassment at Workplace' of IRCON (POSH Policy) is applicable on the Company and the Internal Complaints Committee of IRCON deals with all the matters under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

During the period under review, there was no incidence where any complaint relating to sexual harassment was reported pursuant Section 22 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

29. VIGIL MECHANISM:

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

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

Shri Masood Ahmad, Director
Ircon Haridwar Bypass Limited (IrconHBL)
Address: Ircon International Limited,
C-4, District Centre, Saket, New Delhi- 110017
Phone No.: +91 -9560595062, Email id: masood.ahmad@ircon.org

30. RIGHT TO INFORMATION:

No application under Right to Information Act, 2005 was received by your company during the FY 2023-24.

31. PERFORMANCE EVALUATION OF BOARD MEMBERS:

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

Being a Government Company and a wholly-owned subsidiary of Ircon International Limited, all part-time Directors are nominated by the holding company, IRCON. The evaluation of these nominated directors is done by the holding company as per pre-defined criteria in line with the guidelines of the Government of India. Hence, performance evaluation of Directors is not applicable on your company.

32. SECRETARIAL STANDARDS:

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

33. 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.

34. MEMORANDUM OF UNDERSTANDING (MoU):

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

Your Company, incorporated as wholly owned subsidiary of IRCON (holding company) and Special Purpose Vehicle (SPV), will sign Annual MoU with IRCON.

During the period under review, your Company requested IRCON to grant it exemption from compliance of Annual MOU exercise for the FY 2024-25, in line with the MOU Guidelines and IRCON vide its letter dated 21st March, 2024 has granted exemption to the Company.

35. ACKNOWLEDGEMENT:

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

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

**For and on behalf of Board of Directors
of Ircon Haridwar Bypass Limited**

**Sd/-
(Masood Ahmad)
Chairman
DIN: 09008553**

**Date: 2nd August, 2024
Place: New Delhi**

FORM NO. AOC-2

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

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto during the period from 1st April, 2023 to 31st March, 2024

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

Sr. No.	Nature of contracts or arrangements or transactions	Duration of the contracts or arrangements or transactions	Salient terms of the Contracts or Arrangements or Transactions including the value, if any	Date(s) of approval by the Board, if any:	Amount paid as advances, if any:
1.	EPC Agreement	730 Days from date of appointment and Operation & maintenance for 5 years from commercial operation date and	EPC agreement executed on 2 nd September, 2022 for Rs.784.58 crore	-	Mobilization Advance given to sub-contractor amounts to Rs.24.78 crore. Outstanding Mobilization Advance of Rs.20.62 crore as on 31.03.2024
2.	Lease Agreement (To take on lease the Office Premises of IRCON)	Two Year (01.04.2023 to 31.03.2025)	Lease Agreement executed on 5 th April, 2023 for rent @ Rs.23,359/- p.m. plus GST.	-	NIL (As on Date)

**For and on behalf of Board of Directors
of Ircon Haridwar Bypass Limited**

**Sd/-
(Masood Ahmad)
Chairman
DIN: 09008553**

**Date: 2nd August, 2024
Place: New Delhi**

**INDEPENDENT AUDITOR'S REPORT**

**To the Members of
IRCON HARIDWAR BYPASS LIMITED**

Report on the Audit of the Ind AS Financial Statement

We have audited the accompanying Standalone Financial Statements of IRCON HARIDWAR BYPASS LIMITED ("the Company") which comprises the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss, Statement of Changes in Equity and Statement of Cash Flows for the year then ended and Notes to the Financial Statements including a summary of material accounting policies and other explanatory information (herein after referred to as "Standalone Financial Statements").

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on the date.

Basis for Opinion

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

Key Audit Matters

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

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



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

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

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

In connection with our audit of the Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

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

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

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

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

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

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





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

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

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

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

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

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



**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the **Annexure A**, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c. The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), and the Cash Flow Statement and the Statement of Change in Equity dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e. Being a government company, provision of section 164(2) of the Act are not applicable pursuant to the notification No. G.S.R.463(E) dated 5th June 2015, issued by the Central Government of India.
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**".
 - g. Being a government company, provision of section 197 of the Act are not applicable vide notification no. GSR 463 (E) dated 5th June 2015, issued by the Central Government of India.
 - h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would have a material impact on its financial position.
 - ii. Based on the assessment made by the Company, there are no material foreseeable losses on long-term contracts that may require any provisioning. The Company did not have any derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Company
 - iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any





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

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

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

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

vi. Based on our examination, which include test checks the company has used an accounting software for maintaining its books of accounts which has a feature of recording audit trail (edit log) facility and same has operated throughout the year for all relevant transactions recorded in the software. Further during the course of our audit, we did not come across any instance of audit trail feature being tempered with.

As Proviso to Rule 3(1) of the companies (Accounts) Rules 2014 is applicable from April 1 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rule 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31,2024.

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

S.No	Directions	Auditor's Replies
1	Whether the company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the Integrity of the accounts along with the financial implications, if any, may be stated.	Company is using SAP system to process all the accounting transactions. As per the information and explanation provided to us, no accounting transactions have been processed outside the IT System.
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	No, Company is having no case of any restructuring of an existing loan or cases of waiver/write off of debts/loans/interest etc. made by a lender to the company due to the





	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).	company's inability to repay the loan.
3	Whether funds (grants/subsidy etc.) received/receivable for specific schemes from Central/State Government or its agencies were properly accounted for/utilized as per its term and conditions? List the cases of deviation	According to the information and explanation given to us and as per our examination of records, no funds have been received/receivable for any specific scheme from Central/State Government or its agencies during the period from 1 st April 2023 to 31 st March 2024.

For RAVI RAMESH & ASSOCIATES

CHARTERED ACCOUNTANTS

FRN: 004306N



CA SUBHASH BANSAL

PARTNER

M. No. 085785

UDIN - 24085785BKFIIR7107

Date : 10th May, 2024

Place : New Delhi

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

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Ircon Haridwar Bypass Limited of even date)

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

- i. (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
(B) The company is not having any intangible assets; hence this clause is not applicable.
- (b) The Property, Plant and Equipment were physically verified by the management during the year and no material discrepancies were noticed on such verification.
- (c) The company does not own any immovable properties during the period of audit
- (d) The Company has not revalued its Property, Plant and Equipment (including Right of Use of Assets) or intangible asset during the year;
- (e) No proceedings have been initiated or pending against company for holding any benami property under Prohibition of Benami Transactions Act, 1988 and rules made thereunder.
- ii. (a) The Company does not have any inventory and hence reporting under clause 3 (ii) (a) of the Order is not applicable.
- (b) The Company has not been sanctioned working capital limits in excess of Rs five crores, in aggregate, from banks or financial institutions during any point of time of the year on the basis of security of current assets. Accordingly, the requirement to report under clause 3(ii)(b) of the Order is not applicable to the Company.
- iii. The Company has not made investments in, provided any guarantee or security, granted any loan or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships, and any other parties, during the period. Hence, reporting under Paragraph 3(iii) (a), (b), (c), (d), (e) and (f) of the Order is not applicable to the Company.
- iv. The Company has not granted any loan, made investment, and provided guarantee and security to which the provisions of section 185 and 186 of the companies Act 2013 are applicable. Hence, Paragraph 3(iv) of the order is not applicable to the Company.
- v. The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of Sections 73 to 76 of the Companies Act, and rules made there under, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.
- vi. The Company has maintained cost records as required under section 148(1) of the Companies Act, 2013. However, we are neither required to carry out, nor have carried out any detailed examination of such accounts and records.
- vii. In respect of statutory dues:
 - (a) The Company is regular in depositing undisputed statutory dues, including Provident Fund, Income Tax, goods and service Tax, Sales tax, service tax, duty of Custom, duty of Excise, Value Added Tax, Cess and any other statutory dues applicable with the appropriate authorities. Employees State Insurance is not applicable to the Company. According to the information and explanation given to us and based on audit procedures performed by us, there are no undisputed statutory dues





which were outstanding as on 31.03.2024 for a period of more than six months from the date the same become payable.

- (b) According to the information and explanation given to us, and as per examination of records of the Company, there is no amount payable in respect of Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess, which have not been deposited as on March 31, 2024 on account of any disputes.
- viii. There were no transactions which were not recorded in the books of accounts that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961(43 of 1961).
- ix. (a) The Company has not defaulted in repayment of loans or other borrowing or in the payment of interest thereon to any lender.
- (b) The Company has not been declared willful defaulter by any bank or financial institution or other lender.
- (c) The Company has applied term loan for the purpose for which loans were obtained.
- (d) No Funds raised on short-term basis have been used during the period for long-term purposes by the Company.
- (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries and joint ventures.
- (f) The company has not raised loans during the year on the pledge of securities held in its subsidiaries or Joint Ventures companies and hence, the requirement to report on clause 3(ix)(f) of the Order is not applicable to the Company.
- x. (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the period and hence reporting under clause 3(x) (a) of the Order is not applicable.
- (b) The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partially or optionally convertible) during the year and hence, reporting under clause 3(x)(b) of the Order is not applicable.
- xi. (a) No fraud by the Company or no fraud on the Company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed by cost auditor/ secretarial auditor or by us in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the period
- xii. The Company is not a Nidhi Company as per the provisions of the Companies Act, 2013 Therefore, the requirements to report on clause under para 3(xii) (a), (b) & (c) of the Order is not applicable to the Company.
- xiii. Transaction with related parties is in compliance with Section 177 and 188 of the Companies Act,- where applicable and the details have been disclosed in notes to the financial statements, as required by the applicable accounting standards.





- xiv. In our opinion the requirement of internal audit does not apply to the company.
- xv. The Company has not entered into any non-cash transactions with its directors or persons connected with its directors, and hence, requirement to report on clause 3(xv) of the Order is not applicable to the Company.
- xvi. (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934(2 of 1934). Accordingly, requirement to report on clause 3(xvi) (a) of the Order is not applicable to the company.
- (b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without obtained a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi)(c) of the Order is not applicable
- (d) There is no Core Investment Company as a part of the Group. Hence, the requirement to report on clause 3(xvi)(d) of the Order is not applicable to the Company.
- xvii. The Company has not incurred cash losses during the period covered by our audit.
- xviii. There has been no resignation of the statutory auditors during the year and accordingly requirement to report on clause 3(xviii) of the Order is not applicable to the Company.
- xix. On the basis of the financial ratios disclosed in the note no 37 to the financial statements , ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. The provision of section 135 towards corporate social responsibility are not applicable to the company. Accordingly, the provision of clause 3(xx) of the order is not applicable.
- xxi. The reporting under clause(xxi) is not applicable in respect of audit of financial statements of the company. Accordingly, no comment has been included in respect of said clause under this report.

For RAVI RAMESH & ASSOCIATES**CHARTERED ACCOUNTANTS****FRN:004306N****CA SUBHASH BANSAL****PARTNER****M. No. 085785****Date : 10th May, 2024****Place : New Delhi**

**ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT**

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Ircon Haridwar Bypass Limited of even date)

We have audited the internal financial controls over financial reporting of IRCON HARIDWAR BYPASS LIMITED ("the Company") as of March 31st 2024 in conjunction with our audit of the financial statements of the company for the period ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only





in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, "based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

For RAVI RAMESH & ASSOCIATES**CHARTERED ACCOUNTANTS****FRN:004306N****CA SUBHASH BANSAL
PARTNER****M. No. 085785****Date : 10th May, 2024****Place : New Delhi**

Iron Haridwar Bypass Limited
CIN:-U45209DL2022GOI392406
Balance Sheet as at 31st March 2024
(All amounts in Indian Rupees Lakhs unless otherwise stated)

	Particulars	Note	As at 31st March, 2024	As at 31st March, 2023
I.	ASSETS			
1	Non-Current Assets			
	(a) Property, Plant and Equipment	3	0.44	0.32
	(b) Deferred Tax Assets (net)	4	0.02	0.02
	(c) Financial Assets			
	(i) Other Financial Assets	5	0.01	0.01
	(d) Other Non-Current Assets		-	-
	Total Non-Current Assets		0.47	0.35
2	Current assets			
	(a) Financial Assets	6		
	(i) Trade receivables	6.1	81.28	-
	(ii) Cash and Cash Equivalents	6.2	523.29	44.82
	(iii) Loans		-	-
	(iv) Other Financial Assets	6.3	18,729.61	5,299.16
	(b) Current Tax Assets (Net)	7	68.46	0.03
	(c) Other Current Assets	8	5,153.47	3,417.45
	Total Current Assets		24,556.11	8,761.46
	TOTAL ASSETS		24,556.58	8,761.81
II.	EQUITY AND LIABILITIES			
1	Equity			
	(a) Equity Share Capital	9	5.00	5.00
	(b) Other Equity	10	8,584.99	8,294.00
	Total Equity		8,589.99	8,299.00
2	Liabilities			
	Non-Current Liabilities			
	(a) Financial Liabilities			
	(i) Borrowings	11	11,296.42	-
	(ii) Lease Liabilities		-	-
	(iii) Trade Payables		-	-
	- total outstanding dues of micro enterprises and small enterprises		-	-
	- total outstanding dues of creditors other than of micro enterprises and small enterprises		-	-
	(b) Deferred Tax Liabilities (net)	4	-	-
	Total Non-Current Liabilities		11,296.42	-
3	Current Liabilities			
	(a) Financial Liabilities			
	(i) Lease Liabilities		-	-
	(ii) Trade Payables	12		
	- total outstanding dues of micro enterprises and small enterprises	12.1	3.06	0.31
	- total outstanding dues of creditors other than of micro enterprises and small enterprises	12.1	3,777.31	350.92
	(iii) Other Financial Liabilities	12.2	599.28	6.58
	(b) Other Current Liabilities	13	290.52	105.00
	(c) Current Tax Liabilities (Net)	14	-	-
	Total Current Liabilities		4,670.17	462.81
	TOTAL EQUITY AND LIABILITIES		24,556.58	8,761.81

Summary of material accounting policies

The accompanying notes are an integral part of the financial statements.

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1 to 39

As per our report of even date
For Ravi Ramesh & Associates
ICAI Firm Registration No. : 004306N
Chartered Accountants

CA Subhash Bansal
Partner

ICAI Membership No. : 085785
UDIN:



For and on behalf of the Board of Directors
Iron Haridwar Bypass Limited

Alin Roy Choudhury
Director
(DIN:-10489550)

Masood Ahmad
Director
(DIN:-09003553)

Place: New Delhi
Date :10.05.2024

Iron Haridwar Bypass Limited
CIN:-U45209DL2022GOI392406
Statement of Profit and Loss for the year ended 31st March 2024
(All amounts in Indian Rupees Lakhs unless otherwise stated)

Particulars	Note	For the year ended 31.03.2024	For the period from 13th January 2022 (Date of incorporation) to 31st March 2023
Income			
Revenue from operations	15.1	21,870.48	5,205.63
Other income	15.2	249.86	103.92
Total Income (A)		22,120.34	5,309.55
Expenses			
Project Expenses	16	21,296.93	5,129.84
Employee benefits expenses	17	47.91	24.79
Finance Costs	18	318.75	5.64
Depreciation and amortization expenses	3	0.13	0.10
Other expenses	19	95.60	45.90
Total expenses (B)		21,759.32	5,206.27
Profit/(Loss) before tax (A-B)		361.02	103.28
Tax expenses	4		
Current tax		90.86	26.24
Tax adjustment of earlier years		(0.64)	
Deferred tax (net)		-	(0.02)
		90.22	26.22
Profit/(Loss) for the period		270.80	77.06
Other comprehensive income/(loss)			
A) Items that will not be reclassified to profit or loss		-	-
Income tax relating to Items that will not be reclassified to profit or loss		-	-
B) Items that will be reclassified to profit or loss		-	-
Income tax relating to Items that will be reclassified to profit or loss		-	-
Other comprehensive income/(loss) for the period (net of tax)		-	-
Total Comprehensive income/(loss) for the period		270.80	77.06
Earnings per equity share (Face Value Per Equity Share Rs. 10)	24		
Basic		541.60	154.12
Diluted		541.60	154.12

Summary of material accounting policies

2

The accompanying notes are an integral part of the financial statements.

1 to 39

As per our report of even date

For Ravi Ramesh & Associates

ICAI Firm Registration No. : 004306N

Chartered Accountants

CA Subhash Bansal

Partner

ICAI Membership No. : 085785

UDIN:

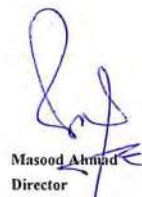
Place: New Delhi

Date : 10.05.2024

For and on behalf of the Board of Directors

Iron Haridwar Bypass Limited


Alin Roy Choudhury
 Director
 (DIN:-10489550)


Masood Ahmad
 Director
 (DIN:-09008553)

Ircon Haridwar Bypass Limited
CIN:-U45209DL2022GOI392406
Cash Flow Statement for the year ended 31st March 2024
(All amounts in Indian Rupees Lakhs unless otherwise stated)

Particulars		For the year ended 31.03.2024	For the period from 13th January 2022 (Date of incorporation) to 31st March 2023
A. Cash flow from operating activities			
Profit before tax		361.02	103.28
Adjustments for:			
Depreciation/Amortization		0.13	0.10
Interest Income		(2.45)	(103.92)
Interest Expenses		318.75	0.64
Loss on disposal of assets		0.03	-
Bad Debts		-	-
Tax for the Earlier Years		-	-
Operating profit before working capital changes		677.48	0.10
Movements in working capital:			
Increase/(decrease) in other non-current liability		-	-
Increase/(decrease) in other current financial liabilities		592.71	6.58
Increase/(decrease) in Current Trade Payables		3,429.14	351.23
Increase/(decrease) in other non-current financial liabilities		-	-
Increase/(decrease) in other current liability		185.52	105.00
Increase/(decrease) in non-current provisions		-	-
Increase/(decrease) in current provisions		-	-
Decrease/(increase) in trade receivables		(81.28)	-
Decrease/(increase) in inventories		-	-
Decrease/(increase) in non current financial loans		-	-
Decrease/(increase) in Loans & current financial assets		(13,430.14)	(5,299.16)
Decrease/(increase) in Current tax Asset (Net)		0.66	-
Decrease/(increase) in other Non-current assets		-	(0.01)
Decrease/(increase) in other current assets		(1,736.00)	(3,417.45)
Cash Generated from Operation		(10,361.91)	(8,253.71)
Less : Income Tax Paid		159.33	26.27
Net cash flow from/(used in) operating activities	(A)	(10,521.24)	(8,279.98)
B. Cash flows from investing activities			
Purchase of PPE		(0.45)	(0.42)
Sale of PPE		0.17	-
Interest Income		2.14	103.92
Net cash flow from/(used in) investing activities	(B)	1.86	103.50
C. Cash flow from financing activities			
Proceeds from borrowing (net)		11,296.42	-
Proceeds from fresh issue of share capital		-	5.00
Interest expenses		(318.75)	(0.64)
Loan From Ircon International Limited as quasi capital		20.18	8,216.94
Net cash flow from/(used in) in financing activities	(C)	10,997.85	8,221.30
Net increase/(decrease) in cash and cash equivalents	(A + B + C)	478.47	44.82
Cash and cash equivalents at the beginning of the period		44.82	-
Closing cash and cash equivalents		523.29	44.82
Particulars		As at 31st March, 2024	As at 31st March, 2023
Components of cash and cash equivalents*			
- Cash on hand		-	-
- With banks in current account		9.29	5.02
- Deposit with original maturity of less than 3 months		514.00	39.80
Total cash and cash equivalents as per Balance Sheet and Statement of Cash Flows		523.29	44.82

*Earmarked Fund



4. Reconciliation of Liabilities arising from financing activities as on 31.03.2024		
Particulars	Loan From SBI	Interest on Loan from SBI
Opening balances	-	-
Cash flows:		
- Repayments	(0.58)	(318.75)
- Proceeds	11,297.00	318.75
Closing balances	11,296.42	-
Reconciliation of Liabilities arising from financing activities as on 31.03.2023		
Particulars	Loan From SBI	Interest on Loan from SBI
Opening balances	-	-
Cash flows:		
- Repayments	-	-
- Proceeds	-	-
Closing balances	-	-

Notes:

- Figures in brackets indicate cash outflow.
- The Statement of Cash flows has been prepared under the Indirect method set out in Ind AS-7 'Statement of Cash Flow' notified under the Companies (Indian Accounting Standards) Rules, 2015.
- Reconciliation of Cash and Cash Equivalents and Components of Cash and Cash Equivalents included in the above Statement of Cash Flows:

Summary of material accounting policies

The accompanying notes are an Integral part of the financial statements.

2

1 to 39

As per our report of even date

For Ravi Ramesh & Associates

ICAI Firm Registration No. : 004306N

Chartered Accountants


For and on behalf of the Board of Directors

Ircon Haridwar Bypass Limited


CA Subhash Bansal
Partner
ICAI Membership No. : 085785
UDIN:




Alin Roy Choudhury
Director
(DIN:-10489550)


Masood Ahmad
Director
(DIN:-09008553)

Place: New Delhi

Date :10.05.2024



Ircon Haridwar Bypass Limited

CIN:-U45209DL2022GOI392406

Statement of changes in equity for the year ended 31st March 2024

(All amounts in Indian Rupees Lakhs unless otherwise stated)

(a) Equity Share Capital

Particulars	Amount
Balance as at 13th January, 2022	-
Changes in equity share capital during the year	5.00
Balance as at 31st March 2023	5.00
Balance as at 01st April, 2023	5.00
Changes in equity share capital during the year	-
Balance as at 31st March 2024	5.00

(b) Other Equity

Particulars	Reserves & Surplus	Other Comprehensive Income	Quasi equity	Total
	Retained Earnings			
Balance as at 13th January, 2022	-	-	-	-
Profit for the year	77.07	-	-	77.07
Other Comprehensive income	-	-	-	-
Total Comprehensive Income for the period	77.07	-	-	77.07
Addition in Quasi Equity	-	-	8,216.94	8,216.94
Balance as at 31st March 2023	77.07	-	8,216.94	8,294.01
Balance as at 01st April 2023	77.07	-	8,216.94	8,294.01
Total profit for the period	270.80	-	-	270.80
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	270.80	-	-	270.80
Addition in Quasi Equity	-	-	20.18	20.18
As at 31st March, 2024	347.87	-	8,237.12	8,584.99

Summary of material accounting policies

2

The accompanying notes are an Integral part of the financial statements.

1 to 39

As per our report of even date

For Ravi Ramesh & Associates

ICAI Firm Registration No. : 004306N

Chartered Accountants

CA Subhash Bansal

Partner

ICAI Membership No. : 085785

UDIN:

Place: New Delhi

Date :10.05.2024

For and on behalf of the Board of Directors

Ircon Haridwar Bypass Limited

Alin Roy Choudhury

Director

(DIN:-10489550)

Masood Ahmad

Director

(DIN:-09008553)

Ircon Haridwar Bypass Limited
Notes to financial statements for the year ended March 31, 2024

1. Corporate Information

Ircon Haridwar Bypass Limited (the "Company") is domiciled and incorporated in India and is a wholly owned subsidiary of Ircon International Limited (IRCON), public sector construction company domiciled in India. The Company (CIN U45209DL2022GOI392406) is incorporated under the provisions of the Companies Act, 2013 applicable in India.

The Company came into existence when IRCON was awarded the work of upgradation & construction of four laning of Haridwar Bypass Package-I from Km0+000 (Km 188+100 of NH-58) to Km 15+100 (Km5+100 of NH-74) in the state of Uttarakhand on Hybrid Annuity basis In pursuant to the provisions of "Request for Proposal", the selected bidder 'IRCON' has formed a Special Purpose Vehicle (SPV) named Ircon Haridwar bypass Limited as wholly owned subsidiary of IRCON, incorporated on 13.01.2022. Accordingly, the Company has signed the Concession Agreement with NHAI on 8th March, 2022 for the project value amounting to Rs 861 Crore. The Concession period is 15 years from Commercial Operation Date (COD) and Construction period is 730 days from Appointed Date. The registered office of the company is located at C-4, District Centre, Saket, New Delhi- 110017.

The financial statements are approved for issue by the company's Board of Directors in their meeting held on 10.05.2024

2. Material accounting policies

2.1. Basis of preparation of Financial Statements

i. Statement of compliance

The Standalone Financial Statements of the Company have been prepared on going concern basis following accrual system of accounting and 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 standalone financial statements.

ii. Basis of measurement

The Standalone Financial Statements have been prepared under the historical cost convention except for the following assets and liabilities which have been measured at fair value:

- Certain financial assets and liabilities measured at fair value.

iii. Functional and Presentation Currency

These Standalone Financial Statements are presented in Indian Rupees (INR) which is the Company's functional currency. All amounts have been rounded to the nearest Lakhs up to two decimals except for per share data, unless otherwise stated.



Ircon Haridwar Bypass Limited
Notes to financial statements for the year ended March 31, 2024

2.2. Summary of material accounting policies

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

2.2.1. Current and non-current classification

Based on the time involved between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has determined twelve months as its operating cycle for the purpose of classification of its assets and liabilities as current and non-current in the balance sheet. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

2.2.2. Property, plant and equipment

Property, plant and equipment are initially stated at their cost.

The cost of an item of property, plant and equipment includes:

- (a) its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates;
- (b) Cost directly attributable to the acquisition of the asset which incurred in bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Property, plant and equipment are subsequently measured at cost net of accumulated depreciation and accumulated impairment losses, if any. Subsequent costs are included in the assets carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Depreciation on property, plant and equipment is provided on straight line basis over the estimated useful lives of the assets as specified under part C of schedule II of the Companies Act, 2013 and disclosed in the notes to accounts. The residual values is not more than 5% of the original cost of assets.

Property plant and equipment acquired during the period, individually costing up to ₹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.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other gains/(losses).

2.2.3. Impairment of non-financial assets

At each reporting date, the Company reviews the carrying amounts of its non-financial assets to determine whether there is any indication of impairment. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

If such assets are considered to be impaired, the impairment to be recognized in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset.



Ircon Haridwar Bypass Limited
Notes to financial statements for the year ended March 31, 2024

2.2.4. Revenue Recognition

The Company derives revenues primarily from the Service Concession Arrangement comprising the construction and operation & maintenance services pertaining to an infrastructure (Road) on Hybrid Annuity Mode.

i. Revenue from Service Concession Arrangement

The Company's contracts with the Customers for the construction and operation & maintenance services under the Service Concession Arrangement (SCA) are accounted for as a single performance obligation as contract is negotiated as a package with a single commercial objective and involves complex integration of construction and maintenance services.

Revenue is recognized over the time using input method (i.e., percentage-of-completion method) which is consistent with the transfer of control to the customer because there is a direct relationship between the Company's effort (i.e., cost incurred) and the transfer of service to the customer. Under input method, contract revenue is recognized as revenue by reference to the stage of completion as at the reporting date. The stage of completion is measured in terms of a proportion of actual cost incurred to-date, to the total estimated cost attributable to the performance obligation. However, where the Company is not be able to reasonably measure the outcome of a performance obligation, but the Company expects to recover the costs incurred in satisfying the performance obligation, the Company recognises revenue only to the extent of the costs incurred until such time that it can reasonably measure the outcome of the performance obligation. A cumulative catch-up adjustment would be recognized in the period in which the entity is able to reasonably measure its progress. Changes to total estimated contract costs, if any, are recognized in the period in which they are determined as assessed at the contract level.

Any expected losses on contracts in progress are charged to statement to profit & Loss, in total, in the period the losses are identified.

Revenue is measured at the transaction price that is allocated to the performance obligation and is adjusted for variable considerations. Variability in the transaction price arises primarily due to liquidated damages, price variation clauses, incentives, change in law etc. The Company recognizes revenue for variable consideration when it is probable that a significant reversal in the amount cumulative revenue recognized will not occur. The company estimates the amount of revenue to be recognized on variable consideration using most likely amount method. Consequently, amounts allocated to a satisfied performance obligation are recognized as revenue, or as a reduction of revenue, in the period in which the transaction price changes.

Contract balances

Contract assets

If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognized for the earned consideration that is conditional. The portion of the payments retained by the customer until final contract settlement is not considered a significant financing component since it is usually intended to provide customer with a form of security for Company's remaining performance as specified under the contract, which is consistent with the industry practice.



Ircon Haridwar Bypass Limited
Notes to financial statements for the year ended March 31, 2024

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). Trade receivable are recognized initially at the transaction price as they do not contain significant financing components. The Company hold the trade receivable with the objective of collecting the contractual cash flows and therefore measure them subsequently at amortized cost using the effective interest rate method less loss allowance.

Contract liabilities

If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognized when the payment is made, or the payment is due (whichever is earlier). Contract liabilities are recognized as revenue when the Company performs under the contract.

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

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

Such financial assets are initially measured at fair value and subsequently at amortized cost using the Effective Interest Rate (EIR) method.

ii. Other income

Interest income is recognized using Effective Interest rate method.

All other income is accounted on accrual basis when no significant uncertainty exists regarding the amount that will be received.

2.2.5. Borrowing cost

Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds and are charged to statement of profit and loss in the period in which they are incurred except when it meets the criteria for capitalization as part of qualifying assets as per Ind AS 23.

2.2.6. Taxes

Tax expense comprises current tax and deferred income tax.

i. Current income Tax

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. 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.



Ircon Haridwar Bypass Limited
Notes to financial statements for the year ended March 31, 2024

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.

ii. 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.

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 utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

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

2.2.7. Employee Benefits

i. Short Term Employee Benefits

Employee benefits such as salaries and wages, 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 the period in which the employee renders the related services.

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

The employees of the Company are on deputation from Ircon International Limited, Holding Company. The post employee benefits & other long term employee benefits includes gratuity, provident fund, post-retirement medical facility, pension, leave encashment and leave travel concession.

As per arrangement with the Ircon International Limited, Holding Company, the cost in relation to post employee & other long term Employee Benefits will be reimbursed to the holding Company on the basis of fixed contribution based on basic pay and dearness allowance for the period of services rendered in the Company.

The companies liability with respect to the long term employee benefit is limited to the extent of fixed contribution to be paid to the holding company. Actual settlement of the long term employee liability will be the responsibility of holding company.

The Contractual employees of the Company are not eligible for post employee benefits & other long term employee benefits.



Ircon Haridwar Bypass Limited
Notes to financial statements for the year ended March 31, 2024

2.2.8. Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes unrestricted cash and short-term deposits with original maturities of three months and less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value.

2.2.9. Contingent liabilities & contingent assets

Contingent liabilities

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

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

Contingent assets

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

2.2.10. Leases

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

Company as a lessee

Short Term leases

The company has elected not to recognize ROU and lease liabilities for short term leases that have a lease term of twelve months or less. The company recognises lease payments associated with these leases as an expense on a straight-line basis over the lease term.

2.2.11. Financial instruments

The Company recognises financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument.

i. Financial assets

a) Initial recognition and measurement

All financial assets (excluding trade receivables which do not contain a significant financing component, being measured at transaction price) are recognized initially at fair value plus transaction costs that are directly attributable to the acquisition of financial asset. Transaction costs directly attributable to the acquisition of financial assets carried at fair value through profit or loss are expensed in statement of profit and loss.



Ircon Haridwar Bypass Limited
Notes to financial statements for the year ended March 31, 2024

b) Subsequent measurement

Subsequent measurement of financial asset depends on the Company business model for managing the asset and the cash flow characteristics of the asset. The Company classifies its financial asset as:

Financial assets at amortized cost

After initial measurement, the financial assets that are held for collection of contractual cash flows where those cash flow represent solely payments of principal and interest (SPPI) on the principal amount outstanding are measured at amortized cost using the effective interest rate (EIR) method. Interest income from these financial assets is included in other income.

Impairment of financial assets

The Company applies the expected credit loss (ECL) model for recognizing impairment loss on financial assets measured at amortized cost, trade receivables, and other contractual rights to receive cash or other financial asset.

For trade receivables and contract assets, the Company follows 'simplified approach' and measures the loss allowance at an amount equal to lifetime expected credit losses.

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.

c) Derecognition of financial assets

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset, and the transfer qualifies for derecognition under Ind AS 109.

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

ii. Financial liabilities

a) Initial recognition and measurement

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

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

b) Subsequent measurement

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

Financial liabilities at amortized cost

After initial recognition, borrowings, trade payables and other financial liabilities are subsequently measured at amortized cost using the EIR (Effective Interest Rate) method. Amortized cost is calculated



Ircon Haridwar Bypass Limited
Notes to financial statements for the year ended March 31, 2024

by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the statement of profit and loss.

c) Derecognition of financial liabilities

A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

2.2.12. Fair value measurement

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

All assets and liabilities for which fair value is measured, are disclosed in the financial statements. Such assets and liabilities are categorised within the level 3 (Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable) of fair value hierarchy.

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.

2.2.13. Earnings Per Share

In determining basic earnings per share, the company considers the net profit attributable to equity shareholders. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the period.

In determining diluted earnings per share, the net profit attributable to equity shareholders and weighted average number of shares outstanding during the period are adjusted for the effect of all dilutive potential equity shares.

2.2.14. Prior Period Adjustment

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

2.2.15. Significant accounting estimates and judgements

The preparation of Standalone Financial Statements requires the management to make judgements, accounting estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed.

Significant areas of estimation and judgements as stated in the respective accounting policies that have the most significant effect on the financial statements are as follows:



Ircon Haridwar Bypass Limited
Notes to financial statements for the year ended March 31, 2024

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 receivable's 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 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, credit risk, 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 that will impact the current and deferred income tax assets and liabilities in the period in which such determination is made. The company establishes provisions, based on reasonable estimates.

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 utilized. Significant management judgement is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

v. Impairment of non-financial assets

The entity assesses at each reporting date whether there is an indication that an asset may be impaired. Determining the recoverable amount of the assets is judgmental and involves the use of significant estimates and assumptions. The estimates are based upon assumptions believed to be reasonable, but which are inherently uncertain and unpredictable and do not reflect unanticipated events and circumstances that may occur.

vi. Revenue recognition

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



Ircon Haridwar Bypass Limited
Notes to financial statements for the year ended March 31, 2024

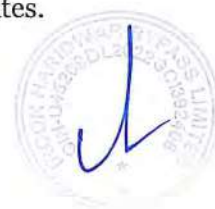
These policies require forecasts to be made of the outcomes of Contracts, which require, assessments and judgements to be made on changes in scope of work and claims and variations.

The Company has incorporated significant judgements over contractual entitlements for long term project. The range of potential outcomes could result in a materially positive or negative change to underlying profitability and cash flow.

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

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

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



Ircon Haridwar Bypass Limited

CIN:-U45209DL2022GOI392406

Notes to financial statements for the year ended 31st March 2024

(All amounts in Indian Rupees Lakhs unless otherwise stated)

3 Property, Plant and Equipment

Particulars	Computers	Total
Gross Carrying Amount (At Cost)		
As at 13th January 2022	-	-
Additions	0.42	0.42
Disposals/Adjustments	-	-
Transfer to Asset held for sale	-	-
Exchange Gain/ Loss	-	-
As at 31st March 2023	0.42	0.42
As at 01st April 2023	0.42	0.42
Additions	0.45	0.45
Disposals/Adjustments	0.42	0.42
Transfer to Asset held for sale	-	-
Exchange Gain/ Loss	-	-
As at 31st March 2024	0.45	0.45
Depreciation and Impairment		
As at 13th January 2022	-	-
Depreciation charge for the year	0.10	0.10
Impairment	-	-
Disposals/Adjustments	-	-
Transfer to Asset held for sale	-	-
Exchange Gain/ Loss	-	-
As at 31st March 2023	0.10	0.10
As at 01st April 2023	0.10	0.10
Depreciation charge for the year	0.13	0.13
Impairment	-	-
Disposals/Adjustments	0.22	0.22
Transfer to Asset held for sale	-	-
Exchange Gain/ Loss	-	-
As at 31st March 2024	0.01	0.01
Net book value		
As at 31st March 2024	0.44	0.44
As at 31st March 2023	0.32	0.32

Note:

(i) Depreciation is provided based on useful life of assets which is in line with the useful life prescribed in schedule II of the Companies Act, 2013 and disclosed as under:

Asset Class	Useful life adopted and as per Schedule II (in years)
Computer	3

(ii) There is no class of assets where the Company uses different useful life than those prescribed in Schedule II of the Companies Act, 2013.



4 Deferred Tax Assets (Net)

A) The major components of income tax expense for the year ended 31st March 2024 and 31st March 2023 are: -

Particulars	For the year ended 31.03.2024	For the period from 13th January 2022 (Date of incorporation) to 31st March 2023
Current income tax		
Current income tax charge	90.86	26.24
Tax adjustment of earlier years	(0.64)	-
Deferred tax		
Relating to origination and reversal of temporary differences	-	(0.02)
Income tax expense reported in the statement of Profit and Loss	90.22	26.22

B) The reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31st March 2024 and 31st March 2023

Particulars	For the year ended 31.03.2024	For the period from 13th January 2022 (Date of incorporation) to 31st March 2023
1. Profit/(Loss) before tax	361.02	103.28
2. Corporate tax rate as per Income tax Act, 1961	25.17%	25.17%
3. Tax on accounting profit	90.87	26.00
4. Effect of tax adjustments		
(i) Tax on expenses:		
(a) Pre-incorporation expenses	(0.01)	0.10
(b) Interest on advance tax	-	0.16
(c) Depreciation impact	-	(0.02)
(d) Loss on Sale of Assets	-	-
(e) Earlier year tax adjustment	(0.64)	-
(ii) Deferred tax expenses / (income)	-	(0.02)
Total effect of tax adjustments	(0.65)	0.22
5. Income tax expense reported in the statement of profit and loss (3+4)	90.22	26.22
6. Effective tax rate 6 = 5/1	24.99%	25.39%

C) Component of deferred tax assets and (liabilities) in Balance Sheet and Statement of Profit and Loss

Particulars	Statements of Profit and Loss 31-Mar-24	Balance Sheet 31-Mar-24	Statements of Profit and Loss 31-Mar-23	Balance Sheet 31-Mar-23
Pre-incorporation expense	0.01	0.03	(0.04)	0.04
Depreciation	(0.01)	(0.01)	0.02	(0.02)
Carry forward losses	-	-	-	-
Net deferred tax Assets/(Liabilities)	0.00	0.02	(0.02)	0.02

D) Reflected in the Balance Sheet as follows:

Particulars	As at 31st March, 2024	As at 31st March, 2023
Deferred tax assets	0.03	0.04
Deferred tax liabilities	(0.01)	(0.02)
Deferred Tax Assets/(Liabilities) (Net)	0.02	0.02

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

As at 31.03.2024

Particulars	Balance As at 01st April 2023 (Net)	Recognised in Statement of Profit and Loss	Recognised in OCI	Balance As at 31st March 2024 (Net)
Pre-incorporation expense	0.04	(0.01)	-	0.03
Difference in Book depreciation and Income tax depreciation	(0.02)	0.01	-	(0.01)
Carry forward losses	-	-	-	-
Net deferred tax Assets/(Liabilities)	0.02	(0.00)	-	0.02

As at 31.03.2023

Particulars	Balance As at 13th January 2022 (Net)	Recognised in Statement of Profit and Loss	Recognised in OCI	Balance As at 31st March 2023 (Net)
Pre-incorporation expense	-	0.04	-	0.04
Income tax depreciation	-	(0.02)	-	(0.02)
Net deferred tax Assets/(Liabilities)	-	0.02	-	0.02



Ircon Haridwar Bypass Limited
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Notes to financial statements for the year ended 31st March 2024
(All amounts in Indian Rupees Lakhs unless otherwise stated)
5 Other Non-Current Financial Assets

Particulars	As at 31st March, 2024	As at 31st March, 2023
(Unsecured and considered good)		
Security Deposit	0.01	0.01
Total	0.01	0.01

6 Current Assets - Financial Assets
6.1 Trade Receivables

Particulars	As at 31st March, 2024	As at 31st March, 2023
Secured considered good	-	-
Unsecured considered good	81.28	-
Trade receivables which have significant increase in credit risk	-	-
Trade receivables-credit impaired	-	-
	81.28	-
Less: Impairment allowance for doubtful trade receivables	-	-
Total	81.28	-

Note:
Trade Receivable Ageing Schedule for the year ended as at 31st March 2024 and 31st March 2023
For the year ended 31st March 2024

Particulars	Unbilled	Not Due	Outstanding for the year ended March 31st, 2024 from the due date of payment					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables – considered good *	-	-	-	81.28	-	-	-	81.28
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
Disputed Trade Receivables considered good	-	-	-	-	-	-	-	-
Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
	-	-	-	81.28	-	-	-	81.28
Impairment Allowance	-	-	-	-	-	-	-	-
Total	-	-	-	81.28	-	-	-	81.28

*Trade receivables pertains to NHAI

For the year ended 31st March 2023

Particulars	Unbilled	Not Due	Outstanding for the year ended March 31st, 2023 from the due date of payment					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade receivables – considered good	-	-	-	-	-	-	-	-
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
Disputed Trade Receivables considered good	-	-	-	-	-	-	-	-
Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
Impairment Allowance	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	-



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Notes to financial statements for the year ended 31st March 2024

(All amounts in Indian Rupees Lakhs unless otherwise stated)

6.2 Current Financial Assets - Cash and Cash Equivalents

Particulars	As at 31st March, 2024	As at 31st March, 2023
Balances with banks:		
Earmarked Funds*		
- On current accounts	9.29	5.02
- Deposits with original maturity of less than 3 months	514.00	39.80
Total	523.29	44.82

* Rs. 523.29 lakhs held in escrow account & Deposits (31st March 2023: Rs.44.82 lakhs held in escrow account & Deposits) which are earmarked fund as per concession agreement entered with NHAI.

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6.3 Current Assets - Other Financial Assets

Particulars	As at 31st March, 2024	As at 31st March, 2023
(Unsecured and considered good)		
Security Deposit	-	-
Contract Assets:		
Contract Assets under SCA	17,711.59	5,205.63
Money Withheld by Client	1,000.52	-
Intt Receivable from holding company	17.18	93.53
Intt Receivable from Bank FDR	0.32	-
Recoverable from holding company	-	-
Total	18,729.61	5,299.16

7 Current Tax Assets (Net)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Taxes Paid including TDS and Advance Tax (Net of provision for tax)	68.46	0.03
Total	68.46	0.03

8 Other Current Assets

Particulars	As at 31st March, 2024	As at 31st March, 2023
(Unsecured and considered good)		
Advances Recoverable from		
-Goods & Services Tax (GST)	3,080.16	927.62
- Building cess receivable	-	-
Advances to		
- Contractors (Holding Co)	2,061.67	2,478.00
- Others	0.04	-
Prepaid Expenses	11.60	11.83
Total	5,153.47	3,417.45



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Notes to financial statements for the year ended 31st March 2024

(All amounts in Indian Rupees Lakhs unless otherwise stated)

9 Equity Share Capital

Particulars	As at 31st March, 2024	As at 31st March, 2023
Authorised Share Capital 50,000 (31.03.2023: 50,000) equity shares of Rs.10/- each	5.00	5.00
Issued, subscribed and fully paid-up shares 50,000 (31.03.2023: 50,000) equity shares of Rs.10/- each	5.00	5.00
Total issued, subscribed and fully paid-up share capital	5.00	5.00

(a) Promoter's shareholding

Particulars	Shares held by Promoter at the end of the period			% change during the period
	Promoter Name	No. of shares	% of total shares	
As at 1st March, 2024	Iron International Limited	50,000	100%	-
Outstanding at the end of the period		50,000	100%	-
As at 1st March, 2023	Iron International Limited	50,000	100%	-
Outstanding at the end of the period		50,000	100%	-

(b) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	No. of Shares	Amount in Lakhs	No. of Shares	Amount in Lakhs
At the beginning of the period	50,000.00	5.00	-	-
Issued during the period	-	-	50,000.00	5.00
Outstanding at the end of the period	50,000.00	5.00	50,000.00	5.00

(c) Terms/ rights attached to equity shares
(i) Voting

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

(ii) Liquidation

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

(iii) Dividend

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

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

Particulars	As at 31st March, 2024		As at 31st March, 2023	
	No. of Shares	% holding in the class	No. of Shares	% holding in the class
Equity Shares of Rs. 10 each fully paid Iron International Limited and its nominees*	50000	100%	50000	100%

* 600 equity shares held by nominee shareholders on behalf of the holding company.

(e) Holding Company "M/s Iron International Limited" is public sector construction company, holding 100% Equity Share of the company.

10 Other Equity

Particulars	As at 31st March, 2024	As at 31st March, 2023
Retained Earnings	347.87	77.06
Quasi Equity (Interest Free Loan From Iron)	8,237.12	8,216.94
Total	8,584.99	8,294.00



Ircon Haridwar Bypass Limited
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Notes to financial statements for the year ended 31st March 2024
(All amounts in Indian Rupees Lakhs unless otherwise stated)
i) Movement as per below:
Retained Earnings

Particulars	As at 31st March, 2024	As at 31st March, 2023
Opening Balance	77.06	-
Transfer from surplus in statement of profit and loss	270.80	77.06
Closing Balance	347.87	77.06

Quasi Equity (Interest free Loan From Ircon)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Opening Balance	8,216.94	-
Add: Receipt of Quasi Equity	20.18	8,216.94
Closing Balance	8,237.12	8,216.94

ii) Nature and Purpose:
Retained Earnings

Retained Earnings represents the undistributed profits of the Company.

Quasi Equity

Quasi Equity represents equity contribution from the Holding Company in form of Interest free loan. The Company does not have any repayment obligation and are defined as "Equity" in the concession agreement with NHAI. Accordingly, these are considered to be in the nature of equity instruments.

11 Non Current Financial Liabilities - Borrowings

Particulars	As at 31st March, 2024	As at 31st March, 2023
Term Loan Secured - From Banks	11,296.42	-
Total	11,296.42	-

The company has applied term loan for the purpose for which loan were obtained

SBI has sanctioned rupee term loan of Rs. 44,761.00 Lakhs including mobilisation advance bank guarantee of Rs. 9471 lakhs as sub limit of rupee term loan of Rs. 44761.00 lakhs. During the financial year 2023-24, SBI has disbursed term loan of Rs. 11297.00 Lakhs (31st March 2023: Nil). The terms and conditions and detail of security are as under:

1) Details of Terms and Conditions:

- Interest rate to be charged on loan shall be 3M MCLR Plus spread of 0.00% with monthly rest.
- Moratorium of 6 months from the date of SCOD/COD whichever is earlier.
- Term Loan shall be repayable in 24 structured half-yearly installments, with the first repayment starting from the end of 12 months from the SCOD or COD whichever is earlier.
- Interest shall be paid monthly basis on the last of calendar month.

2) Details of Security:

The credit facilities for the proposed project, all interest, fees, commission and other monies in respect thereof shall be secured, of and to the extent permitted under the Concession Agreement by:

- First charge on all the Borrower's movables (except Project Assets), including movable plant and machinery, furniture, fixtures, vehicles and all other movable assets, machinery spares, tools and accessories, both present and future.
- First hypothecation/charge and assignment of all monies lying the Escrow Account into which all the investments in the Project and all Project revenues, Receivables, shortfall to be received, Cash and Insurance Proceeds are to be deposited provided that such charge over the Escrow Account shall only be to the extent permissible as per the water fall of priorities specified in the Concession Agreement and Escrow Agreement.
- First charge on all the Borrower's bank accounts including without limitation the Escrow Account, Debt Service Reserve Account and each of other accounts required to be created by the Borrower under any Project Document or contract, provided that the charge shall only be to the extent of water fall of the priorities as provided in the Escrow Agreement.
- First charge on all intangibles (other than Project Assets) of the Borrower, including but not limited to goodwill, uncalled capital, and intellectual property rights, both present and future.

- A first charge/assignment of all the rights, title, interests, benefits, claims and demands of the Borrower, both present and future, in :

- Concession Agreement and other Project Documents and Clearances,
- letter of credit, guarantee (including contractor guarantees) and liquidated damages (including Contractual Damages) and performance bond provided by any Project Participant under Project Documents; and
- all Insurance Contracts.

- Charge on Unsecured Loans infused as Part of Promoter's Contribution.

- Corporate Guarantee of M/s IRCON International Limited will be available till receipt of first annuity or 180 days from COD, whichever is later.

The Security such as assignment of project documents shall be created and perfected in favor of Security Trustee before first disbursement.

12 Current Liabilities - Financial Liabilities
12.1 Current Liabilities - Trade Payables

Particulars	As at 31st March, 2024	As at 31st March, 2023
(a) Micro, Small and Medium Enterprises	3.06	0.31
(b) Other than Micro, Small and Medium Enterprises		
- Contractor & Suppliers	14.88	30.29
- Related Parties	3,762.43	320.63
Total	3,780.37	351.23



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Notes to financial statements for the year ended 31st March 2024

(All amounts in Indian Rupees Lakhs unless otherwise stated)

Notes: -

a) Disclosures as required under Companies Act, 2013 / Micro, Small and Medium Enterprises Development Act, 2006 (MSMED) are provided in Note 34.

Trade payables Ageing Schedule for the year ended as at 31st March 2024 and 31st March 2023

Particulars	Unbilled	Not due	Outstanding for the year ended as at 31st March, 2024 from the due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	1.19		1.87	-	-	-	3.06
Total outstanding dues of creditors other than micro enterprises and small enterprises	14.88		3,762.43	-	-	-	3,777.31
Disputed dues of micro enterprises and small enterprises	-		-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-		-	-	-	-	-

Particulars	Unbilled	Not due	Outstanding for the year ended as at 31st March, 2023 from the due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	0.14		0.17	-	-	-	0.31
Total outstanding dues of creditors other than micro enterprises and small enterprises	30.00		320.92	-	-	-	350.92
Disputed dues of micro enterprises and small enterprises	-		-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-		-	-	-	-	-

12.2 Current Liabilities - Other Financial Liabilities

Particulars	As at 31st March, 2024	As at 31st March, 2023
Unsecured		
Payable to Holding Company	2.52	6.58
Money withheld from holding company	596.68	-
Money withheld from Contractors	0.08	-
Other payable (including staff payable)	-	-
Total	599.28	6.58

13 Other Current Liabilities

Particulars	As at 31st March, 2024	As at 31st March, 2023
Others		
Statutory dues	290.52	105.00
Total	290.52	105.00

14 Current Tax Liabilities (Net)

Particulars	As at 31st March, 2024	As at 31st March, 2023
Provision for Income tax (Net of Advance tax & TDS)	-	-
Total	-	-

15.1 Revenue from operations

Particulars	For the year ended 31.03.2024	For the period from 13th January 2022 (Date of incorporation) to 31st March 2023
Contract revenue under SCA (Refer Note No 31)	21,870.48	5,205.63
Total	21,870.48	5,205.63

15.2 Other Income

Particulars	For the year ended 31.03.2024	For the period from 13th January 2022 (Date of incorporation) to 31st March 2023
Interest Income:		
Interest on mobilisation advances	245.49	103.92
Interest on FDR	2.45	-
Interest on Income tax refund	1.92	-
Miscellaneous Income	-	-
Total	249.86	103.92



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Notes to financial statements for the year ended 31st March 2024
(All amounts in Indian Rupees Lakhs unless otherwise stated)
16 Project Expenses

Particulars	For the year ended 31.03.2024	For the period from 13th January 2022 (Date of incorporation) to 31st March 2023
Work Expenses Inspection, Geo Technical Investigation & Survey Exp. Etc	21,237.42 59.51	5,099.84 30.00
Total	21,296.93	5,129.84

17 Employee benefits expenses

Particulars	For the year ended 31.03.2024	For the period from 13th January 2022 (Date of incorporation) to 31st March 2023
Salary & Wages	39.73	20.11
Contribution to Provident and other Funds	2.90	1.44
Retirement Benefits	5.28	3.24
Total	47.91	24.79

18 Finance Cost

Particulars	For the year ended 31.03.2024	For the period from 13th January 2022 (Date of incorporation) to 31st March 2023
Interest Expense *	318.75	0.64
Other Borrowing Cost -Bank charges	-	5.00
Total	318.75	5.64

* It includes interest on income tax Rs. Nil (Previous period Rs. 0.64 Lakhs.)

19 Other Expenses

Particulars	For the year ended 31.03.2024	For the period from 13th January 2022 (Date of incorporation) to 31st March 2023
Printing & Stationary expenses	0.04	0.06
Legal & Professional charges	14.25	5.87
Auditor Remuneration	1.30	0.48
Pre-incorporation expense	-	0.48
Rent	3.31	3.51
Rates and Taxes	0.01	-
Insurance	72.08	30.78
Travelling & Conveyance	0.41	1.11
Bank guarantee and other charges	4.04	3.60
Loss on sale of Assets	0.03	-
Miscellaneous Expenses	0.13	0.01
Total	95.60	45.90

(i) Payment to the Auditors

Particulars	For the year ended 31.03.2024	For the period from 13th January 2022 (Date of incorporation) to 31st March 2023
Payment to the auditor's for - Statutory Audit Fee - Tax Audit Fee - Fee for Quarterly limited review - Certification	0.65 0.20 0.30 0.15	0.25 0.08 0.15 -
Total	1.30	0.48



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Notes to financial statements for the year ended 31st March 2024

(All amounts in Indian Rupees Lakhs unless otherwise stated)

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

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

21 Disclosure as per Ind AS 19 on Employee benefits

a. The employees in Ircon Haridwar Bypass Limited are posted on Deputation/secondment basis from Ircon International Limited (Holding Company).

b. In terms of accounting policy of the Company (Note No. 2.2.7) and arrangement with the Holding Company, the provision for Retirement Benefits such as provident fund, pension, gratuity, post retirement medical benefits, Leaves and other terminal benefits of nominated employees is being made by Holding company in terms of Ind AS-19. The amount paid or payable towards provident fund, pension, gratuity, post retirement medical benefits, Leaves and other terminal benefits to the holding company are included in "Employee Benefit Expenses" (Note 17).

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

22 Changes in accounting policies and disclosures**New and amended standards.**

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment Rules, 2023 dated March 31, 2023 to amend the following Ind AS which are effective for annual periods beginning on or after April 1, 2023. The Company applied for the first-time these amendments:

(i) Definition of Accounting Estimates - Amendments to Ind AS 8

The amendments clarify the distinction between changes in accounting estimates, changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates.

The amendments had no impact on the Company's financial statements.

(ii) Disclosure of Accounting Policies - Amendments to Ind AS 1

The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments have had an impact on the Company's disclosures of accounting policies, but not on the measurement, recognition or presentation of any items in the Company's financial statements.

(iii) Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to Ind AS 12

The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences such as leases.

As a result of these amendments, the Company has to recognize a separate deferred tax asset in relation to its lease liabilities and a deferred tax liability in relation to its right-of-use assets. Since, these balances qualify for offset as per the requirements of paragraph 74 of Ind AS 12, there is no impact in the balance sheet.

23 Related Party Disclosures

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) Key Management Personnel (KMP)**Non Executive Directors**

Name	Designation
Shri Devendra Kumar Sharma (w.e.f 10th October 2022 to 31st January 2024)	Director from Ircon
Shri Masood Ahmad (w.e.f. 13th January, 2022)	Director from Ircon
Shri Mugunthan Boju Gowda (w.e.f 13th January, 2022)	Director from Ircon
Shri Alan Roy Choudhury (w.e.f. 02nd February, 2024)	Director from Ircon

Remuneration to Key Management Personnel: Company had Part-time and Non Executive Directors during the financial year 2023-24 and 2022-23, nominated on the Board by the Holding Company, do not draw any remuneration from the Company. No sitting fee is paid to Part-time and Non Executive Directors.

b) Transactions with other related parties are as follows:

(Rs. In Lakhs)

Nature of transaction	Name of related party	Nature of relationship	For the year ended 31.03.2024	For the period from 13th January 2022 (Date of incorporation) to 31st March 2023
1) Reimbursement expenses	Ircon International Limited	Holding Company	5.88	6.20
2) Rent Expense (inclusive of GST)			3.31	3.51
3) Investment in Equity Shares			-	5.00
4) Works Contract			21,237.42	5,099.84
5) Loan from holding company- Quasi Equity			20.18	8,216.94
6) Mobilization advance to Holding Co			-	2,478.00
7) Interest Income on mobilisation advance			245.49	103.92

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

(Rs. In Lakhs)

Nature of transaction	Name of related party	Nature of relationship	As at 31st March, 2024	As at 31st March, 2023
Balance Payable as on reporting date	Ircon International Limited	Holding Company	4,361.64	327.21
Equity Share Capital (Including Quasi equity)			8,242.12	8,221.94
Outstanding Mobilization advance to Holding Co (Including Interest Receivable on advance)			2,078.86	2,571.53

d) Terms and conditions of transactions with related parties

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

(ii) Balances payable of related parties at the reporting date are unsecured and settlement occurs through banking transactions. These balances are interest free except mobilization advance on which interest is charged at rate of average of one year MCLR of top 5 Scheduled commercial bank +1.25%.



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Notes to financial statements for the year ended 31st March 2024
(All amounts in Indian Rupees Lakhs unless otherwise stated)
24 Earnings per share (EPS)
Disclosure as per Ind AS 33 'Earnings per share'

(a) 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 period.

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

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

Particulars	Note	For the year ended 31.03.2024	For the period from 13th January 2022 (Date of incorporation) to 31st March 2023
Profit attributable to Equity holders (Rs. in lakhs)	(ii)	270.80	77.06
No. of equity shares		50,000.00	50,000.00
Weighted average number of equity shares for Basic and Diluted EPS (In Nos.)	(iii)	50,000.00	50,000.00
Earnings per share (Basic)		541.60	154.12
Earnings per share (Diluted)		541.60	154.12
Face value per share		10.00	10.00

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

Particulars	For the year ended 31.03.2024	For the period from 13th January 2022 (Date of incorporation) to 31st March 2023
Profit for the year as per Statement of Profit and Loss	270.80	77.06
Profit attributable to Equity holders of the company used for computing EPS	270.80	77.06

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

Particulars	For the year ended 31.03.2024	For the period from 13th January 2022 (Date of incorporation) to 31st March 2023
Opening balance of issued equity shares	50,000.00	-
Equity shares issued during the period	-	50,000.00
Equity shares outstanding as on date	50,000.00	50,000.00
Weighted average number of equity shares for computing Basic EPS	50,000.00	50,000.00
Dilution Effect:		
Add: Weighted average numbers of potential equity shares outstanding during the year	-	-
Weighted average number of equity shares for computing Diluted EPS	50,000.00	50,000.00

Note: Weighted average number of equity shares is the number of shares outstanding from the date of incorporation adjusted by the number of equity shares issued during the period multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as proportion of total number of days during the period.



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Notes to financial statements for the year ended 31st March 2024

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25 Impairment of Assets

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

26 Provision, Contingencies and Commitments**(a) Provisions**

No provisions provided during the year as per Ind AS 37 'Provisions, Contingent Liabilities and Contingent Assets'.

(b) Contingent liabilities

No Claims against the Company acknowledged as debts as on the reporting date as per Ind AS 37 'Provisions, Contingent Liabilities and Contingent Assets'.

(c) Contingent assets

No claims in favour of the company accounted as receivables as on the reporting date as per Ind AS 37 'Provisions, Contingent Liabilities and Contingent Assets'.

(d) Commitments

Capital: Estimated amount of contracts remaining to be executed on capital account (Net of advance) and not provided for is Nil.

Other: Contractor EPC Work remaining for execution on March 31st, 2024 Rs 54200.71 Lakh (March 31st, 2023: Rs. 73672.10 Lakh).

7 Segment Reporting**(i) General Information**

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

(ii) Information about geographical information

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

(iii) Information about major customer

During the year ended March 31st, 2024, Revenue of Rs. 21870.48 Lakhs (March 31st, 2023 Rs. 5205.63 Lakhs) are derived from a single customer i.e. NHAI which is more than 10% of the Company's total revenue.

28 Financial Risk Management

The Company's principal financial liabilities comprise borrowings, trade payables and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include receivables, cash and short-term deposits and other financial assets. The Company is exposed to the following risks from its use of financial instruments: Credit risk, Liquidity risk and Market risk. This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk.

Risk Management Framework

The Company's activities make it susceptible to various risks. The Company has taken adequate measures to address such concerns by developing adequate systems and practices. The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

a) Credit Risk

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

Cash and cash equivalents

The cash and cash equivalents are held in public sector banks with strong credit ratings.

Trade Receivables and other financial assets

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

(i) Exposure to credit risk

(Rs. In Lakhs)

Particulars	31-Mar-24	31-Mar-23
Financial Assets for which allowance is measured using life-time expected credit loss as per simplified approach		
Other Non Current Financial Assets	0.01	0.01
Trade Receivables	81.28	-
Cash and Cash Equivalents	523.29	44.82
Other Current Financial Assets	18,729.61	5,299.16

(ii) Provision for expected credit losses

No impairment loss has been recognised during the reporting period.



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Notes to financial statements for the year ended 31st March 2024

(All amounts in Indian Rupees Lakhs unless otherwise stated)

(iii) Summary of loss allowance measured using simplified approach: -

(Rs. In Lakhs)

Particulars	31-Mar-24	31-Mar-23
Opening Allowances	-	-
Provided during the year	-	-
Utilization during the year	-	-
Amount written off	-	-
Closing Allowances	-	-

b) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. Liquidity position of the Company is reviewed on a regular basis by the Board of Directors and appropriate decisions are taken according to the situation.

The table below provides details regarding the significant financial liabilities as at 31st March 2024 & 31st March 2023

(Rs. In Lakhs)

Particulars	As at 31st March, 2024		
	Less than 1 Year	1-2 Years	2 years and above
Borrowings	-	1,790.00	9,506.42
Trade Payables	3,780.37	-	-
Other Financial Liabilities	599.28	-	-

(Rs. In Lakhs)

Particulars	As at 31st March, 2023		
	Less than 1 Year	1-2 Years	2 years and above
Borrowings	-	-	-
Trade Payables	351.23	-	-
Other Financial Liabilities	6.58	-	-

c) Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates will affect the Company's income. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. The Board of Directors is responsible for setting up of policies and procedures to manage market risks of the Company.

(i) Foreign Currency risk

The functional currency of the Company is Indian Rupees. The Company is not exposed to any foreign currency risk.

(ii) Interest rate risk

Interest rate risk is the risk that the fair value or the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. At the reporting date the company is exposed to interest rate risk in respect of deposits with bank and borrowings from bank.

At the reporting date, interest rate profile of the Company's interest bearing financial instruments is as follows:

Particulars	31-Mar-24	31-Mar-23
Fixed rate Instrument		
Financial Asset	514.00	39.80
Financial Liabilities	-	-
Floating rate Instrument		
Financial Asset	-	-
Financial Liabilities	11,296.42	-

29 Fair Value Measurements
a) Financial instruments by category

Particulars	As at 31st March, 2024		
	FVTPL	FVTOCI	Amortised Cost
Financial Assets at Amortized Cost			
(i) Other Non current financial assets	-	-	0.01
(ii) Trade Receivables	-	-	81.28
(iii) Cash and cash equivalents	-	-	523.29
(iv) Other current financial assets	-	-	18,729.61
	-	-	19,334.19
Financial Liabilities at Amortized Cost			
(i) Borrowings	-	-	11,296.42
(ii) Trade Payables	-	-	3,780.37
(iii) Other financial liabilities	-	-	599.28
	-	-	15,676.07



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Notes to financial statements for the year ended 31st March 2024

(All amounts in Indian Rupees Lakhs unless otherwise stated)

Particulars	As at 31st March, 2023		
	FVTPL	FVTOCI	Amortised Cost
Financial Assets at Amortized Cost			
(i) Other Non current financial assets	-	-	0.01
(ii) Trade Receivables	-	-	-
(iii) Cash and cash equivalents	-	-	44.82
(iv) Other current financial assets	-	-	5,299.16
	-	-	5,343.99
Financial Liabilities at Amortized Cost			
(i) Borrowings	-	-	-
(ii) Trade Payables	-	-	351.23
(iii) Other financial liabilities	-	-	6.58
	-	-	357.81

b) Fair value hierarchy

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

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

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

Level 3: Unobservable inputs for the asset or liability.

c) Carrying value and Fair value of financial assets and liabilities as at 31st March 2024

Particulars	Carrying Value	Fair Value		
		Level-1	Level-2	Level-3
Financial Assets at Amortized Cost				
(i) Other Non current financial assets	0.01	-	-	0.01
(ii) Trade Receivables	81.28	-	-	81.28
(iii) Cash and cash equivalents	523.29	-	-	523.29
(iv) Other current financial assets	18,729.61	-	-	18,729.61
	19,334.19	-	-	19,334.19
Financial Liabilities at Amortized Cost				
(i) Borrowings	11,296.42	-	-	11,296.42
(ii) Trade Payables	3,780.37	-	-	3,780.37
(iii) Other financial liabilities	599.28	-	-	599.28
	15,676.07	-	-	15,676.07

Carrying value and Fair value of financial assets and liabilities as at 31st March 2023

Particulars	Carrying Value	Fair Value		
		Level-1	Level-2	Level-3
Financial Assets at Amortized Cost				
(i) Other Non current financial assets	0.01	-	-	0.01
(ii) Trade Receivables	-	-	-	-
(iii) Cash and cash equivalents	44.82	-	-	44.82
(iv) Other current financial assets	5,299.16	-	-	5,299.16
	5,343.99	-	-	5,343.99
Financial Liabilities at Amortized Cost				
(i) Borrowings	-	-	-	-
(ii) Trade Payables	351.23	-	-	351.23
(iii) Other financial liabilities	6.58	-	-	6.58
	357.81	-	-	357.81

The management assessed that fair value of cash and cash equivalents, trade payables, and other current financial assets / liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties.

30 Capital Management

The Company's objectives when managing capital are to safeguard its ability to continue as a going concern and to optimise returns to shareholders. The capital structure of the company is based on management's judgement of its strategic and day-to-day needs with a focus on total equity so as to maintain investor, creditors and market confidence. The management and the Board of Directors monitor the return on capital. The Company may take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

Company has taken a term loan during the FY 2023-24 Rs 11297.00 lacs (Previous Year Rs Nil) from State Bank of India to finance its project.

Particulars	31-Mar-24	31-Mar-23
Borrowings (Note No. 11)	11,296.42	-
Long Term Debt	11,296.42	-
Equity (Note No. 9)	5.00	5.00
Other Equity (Note No. 10)	8,584.99	8,294.00
Total Equity	8,589.99	8,299.00
Debt Equity Ratio	1.32	-



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Notes to financial statements for the year ended 31st March 2024

(All amounts in Indian Rupees Lakhs unless otherwise stated)

31 Revenue
A. Disaggregation of Revenue

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

Type of Product or Services	For the year ended 31.03.2024						Total as per Statement of Profit and Loss
	Revenue as per Ind AS 115			Method for measuring performance obligation		Other Revenue	
	Domestic	Foreign	Total	Input Method	Output Method		
Highway	21,870.48	-	21,870.48	21,870.48	-	-	21,870.48
Total	21,870.48	-	21,870.48	21,870.48	-	-	21,870.48

The revenue of Rs 21870.48 Lakhs is recognised over a period of time.

Type of Product or Services	For the period from 13th January 2022 (Date of incorporation) to 31st March 2023						Total as per Statement of Profit and Loss
	Revenue as per Ind AS 115			Method for measuring performance obligation		Other Revenue	
	Domestic	Foreign	Total	Input Method	Output Method		
Highway	5,205.63	-	5,205.63	5,205.63	-	-	5,205.63
Total	5,205.63	-	5,205.63	5,205.63	-	-	5,205.63

The revenue of Rs 5205.63 Lakhs is recognised over a period of time.

B. Contract balances

Particulars	As at 31st March, 2024	As at 31st March, 2023
Trade Receivables (Note 6.1)	81.28	-
Contract Assets (Note 6.3)	17,711.59	5,205.63
Contract liability	-	-

- i) 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 period

Particulars	As at 31st March, 2024	As at 31st March, 2023
Contract asset at the Beginning of the year	5,205.63	-
Contract asset at the end of the year	17,711.59	5,205.63
Net increase/(decrease)	12,505.96	5,205.63

For the year 2023-24 & 2022-23, there has been net increase of Rs. 12505.96 Lakhs & Rs. 5205.63 Lakhs respectively due to recognition of revenue based on input method whereas bills for workdone are certified based on contract condition. There is no reclassification from unbilled revenue to trade receivables during the period.

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

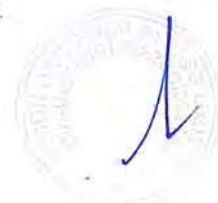
Particulars	As at 31st March, 2024	As at 31st March, 2023
Contract liabilities at the Beginning of the year	-	-
Contract liabilities at the end of the year	-	-
Net increase/(decrease)	-	-

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

Particulars	As at 31st March, 2024	As at 31st March, 2023
Amount included in contract liabilities at the beginning of the period	-	-
Performance obligation satisfied in previous period	-	-

D. Cost to obtain the contract

The Company has not incurred any incremental costs of obtaining contracts with a customer and therefore, not recognised an asset for such costs.



Iron Haridwar Bypass Limited

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Notes to financial statements for the year ended 31st March 2024

(All amounts in Indian Rupees Lakhs unless otherwise stated)

E. Transaction price allocated to the remaining performance obligations

The transaction price for remaining performance obligations shall be received over the contract period in proportion of the work performed/services provided by the Company.

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 year end are as follows:

Particulars	As at 31st March, 2024	As at 31st March, 2023
Within one year	46,880.46	62,495.84
More than one year to 2 years	12,891.67	18,796.90
More than 2 years	2,883.33	2,916.67
Total	62,655.46	84,209.41

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

32 Service Concession Arrangements

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

- The Grantor controls or regulates which services the operator should provide with the infrastructure, to whom it must provide them, and at what price; and
- The Grantor controls- through ownership, beneficial entitlement, or otherwise- any significant residual interest in the infrastructure at the end of the term of the arrangement.

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

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

Iron Haridwar Bypass Limited (IronHBL) has entered into service concession arrangement with National Highway authority of India (NHAI) dated 8th March 2022 in terms of which NHAI (the grantor) has authorised the company to carry the business of upgradation & construction of four laning of Haridwar Bypass Package-I from Km. 0+000 (Km 188+100 of NH 58) to Km. 15+100 (Km 5+100 of NH-74) in the state of Uttarakhand on Hybrid Annuity Mode. In terms of the said agreement IronHBL has an obligation to complete construction of the project of four laning of Haridwar Bypass section and to keep the project assets in proper working condition including all projects assets whose lives have expired. The Project is under Annuity pattern.

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

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

Company has recognized financial asset of Rs. 17711.59 Lakhs under service concession agreement upto the period ended 31st March 2024 after taking into account the receivables due from NHAI on completion of milestone as per terms of the contract. The company has recognised revenue of Rs 21870.48 Lakhs for the period ended on 31st March 2024 on construction of Road under SCA and Operation Revenue as per Ind AS - 115 related to "Revenue from Customers". The company has recognized receivable under service concession arrangement and shown under Other Financial current Assets which it will receive as per terms of the contract based on the completion of milestone, as on 31st March 2024.

Disclosure in terms of Appendix D of Ind AS 115:

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

Particulars	For the year ended 31.03.2024	For the period from 13th January 2022 (Date of incorporation) to 31st March 2023
Contract Revenue Recognized	21,870.48	5205.63
Aggregate amount of cost incurred	21,759.32	5206.27
Amount of advance received from Client	-	-
Amount of retention by Client	-	-
Profit/(Loss) recognised during the period for exchange of construction service for a financial asset	111.16	(0.64)
Gross amount due from Client for Contract Works	81.28	-

33 Leases**a) Company as a Lessee**

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

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

The following are the amounts recognised in Statement of profit and loss:

Particulars	For the year ended 31.03.2024	For the period from 13th January 2022 (Date of incorporation) to 31st March 2023
Expense relating to short-term leases (Refer Note 19)	3.31	3.51

b) Company as a Lessor

Company has no leasing arrangement as a lessor.

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Notes to financial statements for the year ended 31st March 2024

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34 Details of delayed payment to Micro and Small Enterprises as defined under the MSMED Act, 2006

S.No.	Particulars	As at 31st March, 2024	As at 31st March, 2023
a)	The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year: - Principal amount due to micro and small enterprises - Interest due on above	- -	- -
b)	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	-	-
c)	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	-	-
d)	The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
e)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues 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	-	-

35 Corporate Social Responsibility

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

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

There are no loans given, investments made and guarantee given are made by the Company during the period.

37 Other Statutory Disclosures

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

- (i) The Company has no transactions with companies struck off under section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956 during the financial year ending 31st March 2024 and 31st March 2023.
- (ii) The Company has not traded or invested in Crypto Currency or Virtual Currency during the financial year ending 31st March 2024 and 31st March 2023.
- (iii) The Company do not have any Benami property as on 31st March 2024 and 31st March 2023, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- (iv) The Company do not have any prior period errors in financial year ending on 31st March 2024 and 31st March 2023 to be disclosed separately in Statement of changes in equity.
- (v) The Company has no cases of any charges or satisfaction which is yet to be registered with ROC beyond the statutory period in the financial year ending 31st March 2024 and 31st March 2023.
- (vi) During the financial year 2023-24 and 2022-23 (13.01.2022 to 31.03.2023), the Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (vii) During the financial year 2023-24 and 2022-23 (13.01.2022 to 31.03.2023), the Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
- (viii) The Company has not granted any loans and advances in the nature of loans to promoters, directors, KMP and other related parties in the financial year ending 31st March 2024 and 31st March 2023
- (ix) The Company does not have any immovable properties as at 31st March 2024 and 31st March 2023
- (x) The Company has not been declared as wilful defaulter by any bank or financial institution or government or any government authority in the financial year 2023-24 and 2022-23 (13.01.2022 to 31.03.2023).
- (xi) Company is not required to submit statement of current assets with the bank and therefore reconciliation of the statement filed by the company with bank and the books of accounts is not applicable.
- (xii) The Company does not have any transactions in financial year 2023-24 and 2022-23 (13.01.2022 to 31.03.2023), where the company has not used the borrowings from banks and financial institutions for the specific purpose for which it was taken at the balance sheet date.
- (xiii) The Company have not entered into any scheme(s) of arrangements during the year ending 31st March 2024 and period ending 31st March 2023.
- (xiv) The Company has not entered in any transaction not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as search or survey or any other relevant provisions of the Income Tax Act, 1961).
- (xv) Company has not received any grants and donations during the year ending 31st March 2024 and period ending 31st March 2023.
- (xvi) The Company does not have any Capital Work- in- Progress, Investment Property, Intangible Assets and Intangible Assets under Development as at 31st March, 2024 and 31st March, 2023. During the year 2023-24 and 2022-23 (13.01.2022 to 31.03.2023), the company has not revalued any of its Property, plant and equipment.



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Notes to financial statements for the year ended 31st March 2024

(All amounts in Indian Rupees Lakhs unless otherwise stated)

(xvii) The following accounting ratios are disclosed: -

S.No	Particulars	Numerator	Denominator	March 31st, 2024	March 31st, 2023	% change	Reason for change more than 25%
a)	Current ratio	Current Assets	Current Liabilities	5.26	18.93	-72.23%	As the previous year figures are for the period from 13th January 2022 to 31st March 2022, ratios comparison with current year does not provide the appropriate result. Therefore reason for change is not provided.
b)	Debt-equity ratio	Total Debt	Shareholder's Equity	1.32	0.00	100.00%	
c)	Debt service coverage ratio	Earnings for debt service = Net profit after taxes + Non-cash operating expenses	Debt service = Interest & Lease Payments + Principal Repayments	1.85	0.00	100.00%	
d)	Return on equity ratio	Net Profits after taxes – Preference Dividend	Average Shareholder's Equity	0.03	0.01	245.54%	
e)	Inventory turnover ratio	Cost of goods sold	Average Inventory	0.00	0.00	N.A	
f)	Trade receivables turnover ratio	Net credit sales = Gross credit sales - sales return	Average Trade Receivable	269.08	0.00	100.00%	
g)	Trade payable turnover ratio	Net credit purchases = Gross credit purchases - purchase return	Average Trade Payables	10.31	14.61	-29.41%	
h)	Net capital turnover ratio	Net Sales = Total sales - sales return	Working capital = Current assets – Current liabilities	1.10	0.63	75.33%	
i)	Net profit ratio	Net Profit	Net Sales = Total sales - sales return	0.01	0.01	-16.36%	
j)	Return on capital employed	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax	0.04	0.01	182.09%	
k)	Return on investment	Income generated from Investments (Finance Income)	Investment	0.00	0.00	N.A	

38 Other disclosures

- The Iron Haridwar bypass limited was incorporated on 13th January 2022 as a wholly owned subsidiary of Iron International Limited.
- The State Bank of India (SBI) has sanctioned the term loan of Rs. 447.61 crore. Term loan of Rs. 112.97 crore disbursed during the FY 2023-24.
- The Company has a system of obtaining periodic confirmation of balances from banks and other parties. So far as trade/other payables and loans and advances are concerned, the balance confirmation letters were sent to the parties. Balances of some of the Trade Receivables (Balance confirmation is sought but not yet received), Other Assets, Trade and Other Payables are subject to confirmations/reconciliations and consequential adjustment, if any. Reconciliations are carried out on on-going basis. However, management does not expect to have any material financial impact of such pending confirmations / reconciliations.
- In the opinion of the management, the value of assets on realisation in the ordinary course of business, will not be less than the value at which these are stated in the Balance
- Figures rounded off to the nearest rupees in Lakh.

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

As per our report of even date

For Ravi Ramesh & Associates

ICAI Firm Registration No. : 004306N

Chartered Accountants

CA Subhash Bansal

Partner

ICA Membership No. : 085785

UDIN:

Place: New Delhi

Date : 10.05.2024


For and on behalf of the Board of Directors

Iron Haridwar Bypass Limited

Alin Roy Choudhury

Director

(DIN:-10489550)

Masood Ahmad

Director

(DIN:-09008553)





लोकहितार्थं सत्यनिष्ठा
Devoted to Truth in Public Interest

महानिदेशक लेखापरीक्षा का कार्यालय
रेलवे वाणिज्यक, नई दिल्ली
C/o भारत के नियंत्रक और महालेखा परीक्षक
Office of the Director General of Audit
Railway Commercial, New Delhi
C/o Comptroller and Auditor General of India

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



संख्या: DGA/RC/AA-IHBL/83-27/2024-25/174

दिनांक: 02.07.2024

सेवा में,

निदेशक,
इरकॉन हरिद्वार बाईपास लिमिटेड
सी-4, जिला केंद्र, साकेत,
नई दिल्ली-110007

महोदय,

विषय: 31 मार्च 2024 को समाप्त वर्ष के लिए इरकॉन हरिद्वार बाईपास लिमिटेड के वित्तीय विवरणों पर कंपनी अधिनियम 2013 की धारा 143 (6)(b) के अंतर्गत भारत के नियंत्रक एवं महालेखापरीक्षक की टिप्पणियाँ।

मैं, इरकॉन हरिद्वार बाईपास लिमिटेड के 31 मार्च 2024 को समाप्त वर्ष के वित्तीय विवरणों पर कंपनी अधिनियम 2013 की धारा 143 (6) (b) के अंतर्गत भारत के नियंत्रक एवं महालेखापरीक्षक की टिप्पणियाँ अग्रेषित कर रहा हूँ।

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

संलग्न : यथोपरि

भवदीय,

डॉ. नीलोत्पल गोस्वामी
महानिदेशक (रेलवे वाणिज्यक)

**COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA
UNDER SECTION 143(6) (b) OF THE COMPANIES ACT, 2013, ON THE
FINANCIAL STATEMENTS OF IRCON HARIDWAR BYPASS LIMITED FOR THE
YEAR ENDED 31 MARCH 2024**

The preparation of financial statements of **Ircon Haridwar Bypass Limited** for the year ended 31 March 2024 in accordance with the financial reporting framework prescribed under the Companies Act, 2013, is the responsibility of the management of the Company. The Statutory Auditor appointed by the Comptroller and Auditor General of India under Section 139 (5) of the Act is responsible for expressing opinion on the financial statements under Section 143 of the Act, based on independent audit in accordance with the standards on auditing prescribed under Section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 10 May 2024.

I, on behalf of the Comptroller and Auditor General of India, have decided not to conduct supplementary audit of the financial statements of Ircon Haridwar Bypass Limited for the year ended 31 March 2024 under Section 143 (6)(a) of the Act.

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



Place: New Delhi
Dated: 02.07.2024

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



**IRCON HARIDWAR BYPASS LIMITED
(‘IrconHBL’)**

Registered & Corporate Office:

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