



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

## 2020-21



# IRCON SHIVPURI GUNA TOLLWAY LIMITED

(A wholly-owned subsidiary of Ircon International Limited)

# *Vision & Mission*

## VISION

To establish and steer the Company towards development of the Project Highway, the Four-laning of Shivpuri-Guna Section on NH-3 from km 236.000 to Km 332.100 in the State of Madhya Pradesh and ensuring the safety and comfort to highway users by providing the best of the services

## MISSION

- (i) Constructing through site planning, scheduling of project activities, leveling and laying the land, installing systems for measuring quality of construction.
- (ii) To use innovative construction techniques for economizing the construction and maintenance cost by strictly adhering to the efficient planning and vigilant monitoring of the project.
- (iii) Ensuring increased usage of highway over the tenure of concession by keeping a check on toll rates, enabling plying of more and more cars and commercial vehicles on the road, revising the toll rates based on effective traffic sampling.
- (iv) Curtailing costs and channeling resources into required areas.

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# *Board of Directors*

*(Part-Time Directors)*



Shri Yogesh Kumar Misra  
Chairman



Shri Ashok Kumar Goyal  
Director



Shri Surajit Dutta  
Director



Shri Masood Ahmad  
Director



Ms. Ritu Arora  
Director

**KEY MANAGERIAL PERSONNEL**

Shri Atul Kumar : Chief Executive Officer  
Shri Vinay Kumar Ahuja : Chief Financial Officer  
Ms. Iti Matta : Company Secretary

**STATUTORY AUDITORS**

M/s P.R. Kumar & Co.  
Chartered Accountants

New Delhi

**INTERNAL AUDITORS**

M/s V. M. Arora & Co.  
Chartered Accountant

New Delhi

**SECRETARIAL AUDITORS**

M/s Vasisht & Associates  
Company Secretaries  
New Delhi

**COST AUDITORS**

M/s Ravi Sahni & Co.  
Cost Accountants  
New Delhi

**BANKERS**

Indian Overseas Bank, New Delhi

**REGISTERED OFFICE**

C-4, District Centre, Saket  
New Delhi-110017,  
Tel: +91-11-26545785  
Fax: +91-11-26854000, 26522000  
E-mail: [cs.irconsqtl@gmail.com](mailto:cs.irconsqtl@gmail.com)  
CIN No.-U45400DL2015GOI280017

**PROJECT**

NH-3,  
Shivpuri Guna Tollway  
Madhya Pradesh



**PROJECT PHOTOGRAPHS**

**(NH-3, Shivpuri Guna Tollway, Madhya Pradesh)**



**CHAIRMAN'S ADDRESS**  
**(6<sup>th</sup> AGM – 18<sup>th</sup> August 2021)**



*Dear Shareholders,*

It gives me immense pleasure to welcome you all at the 6<sup>th</sup> Annual General Meeting of your Company and present the Annual Report of your Company for the Financial Year (FY) 2020-21. The Directors' Report and the Audited Accounts for the year ended March 31, 2021 have already been provided to all the shareholders. With your permission, I take them as read.

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

IrconSGTL was incorporated in May 2015, to execute the project of "Four laning of Shivpuri Guna section of NH-3 from km 236.00 to km 332.100 (97.74 Km) in the state of Madhya Pradesh" as per the terms and conditions of the Concession Agreement entered into with National Highway Authority of India (NHAI).

The Project is being executed in two stages. The Commercial Date of Operations (COD) for Stage-I of the project (i.e. 87.5 Km length) was achieved one and a half month ahead of the schedule i.e. on June 6, 2018 (initially scheduled on July 23, 2018). Thus, operation of toll plaza and collection of revenue has been started on the project w.e.f. June 7, 2018 and the project is in Operation and Maintenance (O&M) phase. IRCON has been engaged as EPC Contractor on cost plus basis, for construction of Stage-II of the project (i.e.12.4 km length) in terms of the Concession Agreement with NHAI. Though the construction work has started, it has got

affected due to the COVID-19 pandemic and subsequent lockdown imposed by the State Government.

As an integral part of 'Atmanirbhar Bharat' various measures have been taken by Ministry of Road Transport and Highways (MoRTH) for providing relief to Contractors / Developers / Concessionaires of Road Sector from the impact of COVID-19, subsequent lockdown and other measures taken to prevent spread of COVID-19. Your Company is protected under the Concession Agreement to claim such loss under force majeure event in the form of revenue loss compensation by way of extension of the concession period. After the close of the FY 2020-21, based on the relief claimed by your company on account of Force Majeure Event due to first wave of COVID-19 pandemic, NHAI in July, 2021 has granted approval for extension of Concession Period for a net period of 29.835 days as relief. The relief on account of second wave of COVID-19 has been claimed from NHAI and an early response is perceived.

### **FINANCIAL PERFORMANCE**

Despite the loss of revenue due to impact of the lockdown disruption on account of COVID-19 pandemic, your Company has achieved revenue from operations of ₹110.78 Crore as against ₹94.44 Crore for the previous financial year registering an increase of 17.30%. The loss before tax was ₹14.06 Crore for the FY 2020-21 as against loss of ₹30.83 Crore for the previous financial year registering decrease in loss by 54.39%.

Your Company's authorized as well as paid-up equity share capital stood Rs.150 crore. IrconSGTL has availed total secured loan of ₹579.59 Crore from the Holding Company, IRCON and the outstanding secured loan as on March 31, 2021 stood at ₹526 Crore.

It is indeed pleasure to inform you that, the proposal of re-financing term loan facility towards retirement of outstanding existing loan facility obtained from the Holding Company has been approved by NHAI and is being taken up with the Bank for finalizing the external term loan facility.

### **COMPLIANCES AND DISCLOSURES**

Corporate Governance: Compliances and Disclosures under the Companies Act, 2013 and its associated rules there under are fully being adhered to. Your company is exempt from the compliance with the Department of Public Enterprises (DPE) Guidelines on Corporate Governance for CPSEs being a CPSE constituted as Special Purpose Vehicle (SPV).

MoU: Your Company has been exempted by the DPE from signing of Memorandum of Understanding (MoU) for the FY 2020-21 with the holding company, Ircon International Limited (IRCON).

Your Company has taken all the prescribed precautions as suggested by the Government, to mitigate the impact of COVID-19.

### **JOURNEY AHEAD**

To ensure the success of the BOT project, it should be able to generate sufficient amount of revenue to settle the debt within the stipulated time frame. The implementation of FASTag has witnessed growth in terms of electronic toll collection and collection of user fee. It has also significantly reduced the waiting time at National Highways Fee Plazas, resulting in enhanced user experience. The constant growth and adoption of FASTag by the highway users will help to bring more efficiency in the toll operations and correct valuation of road asset in future.

### **ACKNOWLEDGEMENTS**

On behalf of Board of Directors, I express my heartfelt thanks for the valuable assistance and co-operation extended to the Company by MoRTH and NHAI for their support and guidance to the Company. Further, I record my deep appreciation for the cooperation extended by the holding Company, Ircon International Limited, the C&AG of India, the Auditors, Bankers and other professionals associated of the Company.

I would also like to thank my colleagues on the Board and the Company's employees for their unstinting support. I look forward to your continued support in our journey ahead.

For and on behalf of  
**Ircon Shivpuri Guna Tollway Limited**

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

# **DIRECTORS' REPORT**

## DIRECTORS' REPORT

Dear Members,

The Directors have pleasure in presenting the 6<sup>th</sup> Annual Report and Audited Financial Statements for the year ended March 31, 2021.

### 1. FINANCIAL HIGHLIGHTS:

The key highlights on the financial performance of your company for the Financial Year (FY) ended March 31, 2021 with comparative position of previous year's performance is as under:

(Amount in ₹ Crore)

Sl. No.	Financial Parameters	Year ended 31.03.2021	Year ended 31.03.2020
1	Revenue from Operations	110.78	94.44
2	Other Income	0.38	0.44
3	<b>Total Income [(1) + (2)]</b>	<b>111.16</b>	<b>94.88</b>
4	Project Expenses	40.11	29.58
5	Administration Expenses (including finance cost and depreciation, amortization & impairment)	84.96	95.96
6	Other Expenses	0.15	0.07
7	<b>Total Expenses [(4) + (5) + (6)]</b>	<b>125.22</b>	<b>125.61</b>
8	<b>Profit / (Loss) Before Tax [(3) – (7)]</b>	<b>(14.06)</b>	<b>(30.73)</b>
9	<b>Profit / (Loss) After Tax</b>	<b>(14.06)</b>	<b>(30.83)</b>

### 2. OPERATIONAL AND FINANCIAL PERFORMANCE:

Your Company has been floated as a public company, Special Purpose Vehicle (SPV) and wholly-owned subsidiary of Ircon International Limited (IRCON) on May 12, 2015, for executing the project of National Highways Authority of India (NHAI) viz "Four-laning of Shivpuri-Guna Section of NH-3 from 236.00 km to 332.100 km on Build Operate and Transfer (BOT) (Toll) basis on Design, Build, Finance, Operate and Transfer (DBFOT) pattern under NHDP Phase IV" in the State of Madhya Pradesh with total length of approx. 97.70 km. In terms of the concession agreement dated June 15, 2015, NHAI has granted right to construct, operate and maintain the Project (the "Concession") for 20 years (including construction period) commencing from the 'Appointed Date' and it is to be upgraded in two stages viz Stage-1 having length of 85.31 kms (i.e. stretch from Km

236.000 to Km 319.700) ) with execution period of 910 days (30 months) and Stage-2 having length of 12.39 kms (stretch from Km 319.700 to Km 332.100) with execution period of 12 months.

The concession agreement between NHAI and IrconSGTL was entered on June 15, 2015 and the scheduled concession period is upto January 24, 2036.

The total cost approved for project execution is ₹872.11 Crore, allocated in the following equity and debt structure: -

1. Equity Share Capital (100% held by IRCON): ₹150 Crore
2. Debt (in the form of Secured Loan approved by IRCON): ₹722.11 Crore

**Stage-1 Project:** The total cost allocated in the financial model for the Stage-I Project is ₹759.98 Crore, for which IRCON was engaged as EPC Contractor at original EPC Cost of ₹642 Crore. The Scheduled Commercial Operation Date (COD) was July 23, 2018 i.e. within 910 Days from the 'Appointed Date' of January 25, 2016. The COD for Stage-I of the project was achieved one and a half month ahead of the schedule i.e. on June 6, 2018 (though scheduled on July 23, 2018). After completion of the construction of Stage-I Project, the operation of toll plaza and collection of revenue has been started w.e.f. June 07, 2018. The revenue collected from toll operations from June 07, 2018 to March 31, 2021 is ₹277.48 Crore. The project is presently in Operations & Maintenance (O&M) phase.

**Stage-2 Project:** The total cost allocated in the financial model for the Stage-II Project is ₹112.13 Crore, for which IRCON has been engaged as EPC Contractor on cost plus basis, on January 01, 2021. The completion period for the construction of Stage-2 project is 12 months from the letter of award or handover of site, whichever is later. The site has been handed over by NHAI and construction work has been initiated from February 21, 2021. The construction work got affected due to the COVID-19 pandemic and subsequent lockdown imposed by the State Government.

During the year under review, in spite of loss of revenue due to COVID-19 pandemic, the Toll Collections and Traffic has increased by 17.26% and 21.88%, respectively, against previous year (YOY). The total revenue for the FY 2020-21 is ₹111.16 Crore as against ₹94.88 Crore for the previous financial year registering an increase of 17.16%. The loss before tax [after making a provision for periodic maintenance of ₹12.50 Crore (having

present value of ₹10.47 Crore)] was ₹14.06 Crore for the FY 2020-21 as against loss of ₹30.83 Crore for the previous financial year registering decrease in loss by 54.39%.

In order to promote usage of digital payment for toll transactions, NHAI has formulated policy for enabling FASTag in all lanes of all Toll plazas of NHAI under HYBRID Electronic Toll Collection (ETC) Program. During the FY 2020-21, the Ministry of Road Transport and Highway (MORTH) / NHAI has implemented the cashless collection of user fee (i.e. 100% e-tolling) at Purankhedi toll plaza w.e.f. February 16, 2021. To facilitate adoption of FASTag by highway users, NHAI has also launched 'Free FASTag' campaign till 1<sup>st</sup> March 2021, by waiving off the tag cost of ₹ 100 at over 770 toll plazas (including State toll plazas) across the country. Further, to the transition towards 100% electronic toll collection, vehicles without FASTag were to be charged double the toll fee. Post-implementation of ETC, the penetration of FASTag has increased from 60% to 98% at the Purankhedi toll plaza.

Your Company experienced a Force Majeure Event, in view of first wave of COVID-19 Pandemic, which resulted in a countrywide lockdown, pursuant to provisions of National Disaster Management Act, 2005 including suspension of User Fee Collection w.e.f. March 26, 2020. The user fee collection was allowed by MORTH / NHAI and respective Jurisdictional Authorities with effect from April 20, 2020. Post cessation of the said Force Majeure Event on account of first wave of COVID-19 pandemic, the Force Majeure Event was still subsisting on account of second wave of COVID-19 pandemic, during the period from April 2021 till June 30, 2021.

After the close of the FY 2020-21, based on the relief claimed by your company on account of Force Majeure Event due to first wave of COVID-19 pandemic, NHAI in July, 2021 has granted approval for extension of Concession Period for a net period of 29.835 days as relief (against the claim of 33.62 days). Further, your Company has evaluated the impact of the Force Majeure Event on account of second wave of COVID-19 and has sought appropriate relief / claim from NHAI in accordance with provision of the Concession Agreement read in conjunction with applicable policy guidelines issued by Government of India / MORTH / NHAI.

### **3. SHARE CAPITAL:**

The authorized and paid-up share capital of the Company is ₹150 Crore comprising of 15,00,00,000 equity shares of ₹10/- each as on March, 31, 2021.

During the year under review, there was no change in the share capital of your Company, and Ircon International Limited continues to hold 100% paid-up share capital of IrconSGL.

**4. DIVIDEND, RESERVES AND NET WORTH:**

The Board of Directors does not recommend any dividend on the equity shares of the Company for the FY ended March 31, 2021.

Your Company has a net worth of ₹73.75 Crore, after considering negative balance of ₹76.25 Crore in the Reserves as on March, 31, 2021.

**5. SECURED LOANS:**

The financial closure of the project of your Company was achieved by tying up the entire debt requirement of ₹722.11 Crore with the holding company, Ircon International Limited. Your company has availed a total loan of ₹579.59 Crore and the outstanding secured loan from the holding company stood at ₹526 Crore, as on March 31, 2021.

During FY 2020-21, the Board of Directors has approved re-financing term loan facility of ₹564.15 Crore, towards retirement of outstanding existing loan facility obtained from the holding company, to that extent utilized by IrconSGL towards achieving COD of Stage-I project. The proposal for re-financing of the term loan is pending with NHAI, and after the approval by NHAI, the re-financing will be taken up with the Banks.

**6. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY BETWEEN THE END OF THE FINANCIAL YEAR AND THE DATE OF THE REPORT:**

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, except the repayment of loan amounting to ₹68.59 Crore as on the date of the report to the holding company.

**7. DETAILS ON IMPACT OF COVID-19:**

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

**8. 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 the Companies (Accounts) Rules, 2014 are as follows:

A. Conservation of Energy:

- (i) the steps taken or impact on conservation of energy – **NIL**
- (ii) the steps taken by the Company for utilizing alternate sources of energy – **Solar powered blinkers were installed at the project stretch at a total cost of ₹10.48 lakhs (₹ 0.10 Crore) in February 2021.**
- (iii) the capital investment on energy conservation equipment – **NIL**

B. Technology Absorption: **Not Applicable**

- (i) the efforts made towards technology absorption;
- (ii) the benefits derived like product improvement, cost reduction, product development or import substitution;
- (iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)
  - (a) the details of technology imported;
  - (b) the year of import;
  - (c) whether the technology been fully absorbed;
  - (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and
- (iv) the expenditure incurred on Research and Development.

C. Foreign Exchange Earnings and Outgo during the year: **Not Applicable**

- (i) Foreign Exchange Earned
- (ii) Foreign Exchange Outgo

**9. RESEARCH AND DEVELOPMENT (R&D):**

No R&D activities were carried out during the period under review.

**10. DETAILS OF DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP):**

**DIRECTORS:**

During the year under review, Shri Rajendra Singh Yadav [having DIN: 07752915] ceased to be Director (Part-time Nominee) of the Company consequent upon superannuation from the post of Executive Director (General), IRCON w.e.f. October 31, 2020.

Following is the composition of the Board of Directors of the Company as on March 31, 2021:

S. No.	Name	Designation
1.	Shri Shyam Lal Gupta [DIN: 07598920]	Chairman
2.	Shri Ashok Kumar Goyal [DIN: 05308809]	Director
3.	Shri Surajit Dutta [DIN: 06687032]	Director
4.	Shri Devendra Kumar Sharma [DIN: 08556821]	Director

In accordance with the provisions of Companies Act, 2013, Shri Surajit Dutta, Director shall retire by rotation at this Annual General Meeting of your Company and, being eligible, offers himself for re-appointment. The Board of Directors recommends his re-appointment as Director and his brief resume is annexed to the Notice of the Annual General Meeting.

After the close of the year, the holding company has nominated Shri Yogesh Kumar Misra [having DIN: 07654014], Director (Works), IRCON as Chairman, vice Shri Shyam Lal Gupta; and Ms. Ritu Arora [having DIN: 00002455], Company Secretary, IRCON as Director (Woman Director) of your company w.e.f. May 13, 2021. Also, Shri Masood Ahmad [having DIN: 09008553], Chief General Manager (Civil/Highways), IRCON has been nominated as Director w.e.f. August 02, 2021, in place of Shri Devendra Kumar Sharma. Shri Yogesh Kumar Misra, Ms. Ritu Arora and Shri Masood Ahmad were appointed as additional directors and are proposed to be appointed to the office of Directors at the ensuing 6<sup>th</sup> AGM. The same has been included in the notice of ensuing AGM.

#### **KEY MANAGERIAL PERSONNEL:**

Pursuant to the provisions of Section 203 of the Companies Act 2013, the Key Managerial Personnel (KMP) of the Company as on March 31, 2021 are:

S. No.	Name	Designation
1.	Shri Masood Ahmad	Chief Executive Officer
2.	Shri Sanjeev Kumar Gupta	Chief Financial Officer
3.	Ms. Iti Matta	Company Secretary (w.e.f. 24.09.2020)

During the year under review, Ms. Sakshi Mehta resigned from the post of Company Secretary w.e.f. August 19, 2020 and hence ceased to be KMP. Ms. Iti Matta has been

deputed by the holding company as Company Secretary and declared as KMP w.e.f. September 24, 2020.

After the close of the year, the holding company has deputed Shri Vinay Kumar Ahuja as Chief Financial Officer and was declared as KMP of the Company w.e.f. July 01, 2021, vice Shri Sanjeev Kumar Gupta. Further, Shri Masood Ahmad ceased to be Chief Executive Officer (CEO) and KMP w.e.f. August 02, 2021 due to his nomination as Director in IConSGTL and in his placed Shri Atul Kumar has been deputed by the holding company and appointed by the Board as CEO and KMP w.e.f. August 03, 2021.

#### 11. MEETINGS OF THE BOARD OF DIRECTORS AND ATTENDANCE OF DIRECTORS:

During the financial year 2020-21, seven (7) Board Meetings were held i.e. on May 18, 2020; July 24, 2020; August 19, 2020; September 24, 2020; November 09, 2020, November 26, 2020 and February 09, 2021. The Meetings of the Board are held at regular intervals with a time gap of not more than 120 days between two consecutive Meetings.

All the Board meetings were held through physical mode, except meetings held on November 26, 2020 and February 09, 2021 which were held through Video Conferencing (VC) mode, in terms of notification issued by the Ministry of Corporate Affairs (“MCA”) on March 19, 2020; June 23, 2020; and December 30, 2020

The details Director’s attendance at Board Meetings during FY 2020-21 are tabled below:

S. No.	Date of Board Meeting / AGM / EGM	Directors Attendance				
		Shri Shyam Lal Gupta	Shri Ashok Kumar Goyal	Shri Rajendra Singh Yadav (upto 31. 10.2020)	Shri Surajit Dutta	Shri Devendra Kumar Sharma
1	18.05.2020	√	√	√	√	√
2	24.06.2020	√	√	√	√	√
3	19.08.2020	√	√	√	√	√
4	14.09.2020	√	√	√	√	L/A
5	09.11.2020	√	√	N.A.	√	√
6	26.11.2020	√	√	N.A.	√	L/A

7	09.02.2021	√	√	N.A.	L/A	L/A
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N.A. - Not a director as on said date.

L/A - Leave of Absence.

**12. INDEPENDENT DIRECTORS, COMMITTEES OF THE BOARD OF DIRECTORS, AND EXEMPTIONS THERETO:**

Ministry of Corporate Affairs (MCA) vide its notifications dated July 05, 2017 and July 13, 2017 exempted unlisted wholly owned subsidiaries from the requirement of appointing Independent Directors on their Board and constitution of 'Audit Committee' and 'Nomination and Remuneration Committee'.

Also, in terms of Department of Public Enterprises (DPE) OM dated July 8-10, 2014 read with OM dated July 11, 2019, the CPSE's constituted as Special Purpose Vehicle (SPV) are exempted from compliance with the DPE Guidelines on Corporate Governance for CPSEs.

Accordingly, IrcnSGTL, an unlisted public company and a wholly-owned subsidiary company of IRCON, is not required to appoint Independent Directors on its Board in terms of Section 149(4) of the Companies Act, 2013 and the declaration by the Independent Directors is not applicable on the Company. Further, the company is exempted from complying with the provisions of section 177 and 178 of Companies Act, 2013 in respect of constitution of Audit Committee and Nomination & Remuneration Committee of the Board.

**13. PERFORMANCE EVALUATION:**

IrcnSGTL is a Government Company and a wholly-owned subsidiary of Ircn International Limited. All the Directors of your company are nominated by the holding company, IRCON, who are subject to evaluation by the holding company as per existing system and procedure.

**14. CORPORATE SOCIAL RESPONSIBILITY:**

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

Since the company did not meet the above threshold limits, the provisions of Corporate Social Responsibility under section 135 of the Companies Act, 2013 are not applicable for FY 2020-21.

**15. RISK MANAGEMENT:**

The Board does not foresee any major threat / risk to the business of the Company.

**16. VIGIL MECHANISM:**

The provisions of section 177(9) of the Companies Act, 2013 with respect to establishment of vigil mechanism were not applicable to the Company during the FY 2020-21. However, as a good governance measure, the Board of Directors has approved vigil mechanism for employees and directors to report concerns about unethical behaviour actual or suspected frauds and to provide safeguard against victimization of employees and Directors who avail of the mechanism.

Under this mechanism, the complaints of nominated / deputed employees from the holding company shall be addressed as per the 'Whistle blower policy' of IRCON (Holding Company) and complaints of other persons in the employment of the Company shall be addressed to Shri Masood Ahmad, Director, IrconSGTL at email id [masood@ircon.org](mailto:masood@ircon.org) and Phone No. +91 011 26530467.

**17. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:**

Adequate internal financial controls are exercised in the Company, keeping in view the size of operations of the Company. The Company is following all the applicable Accounting Standards for properly maintaining the books of account and reporting in the financial statements.

The Company has appointed an independent firm of Chartered Accountants as Internal Auditors to ensure that the Company's systems and practices are designed with adequate internal controls to match the size and nature of operations of the Company. The Internal Auditors conduct a half yearly audit and review, covering all areas of operation. The Reports of the Auditors along with the management's responses are placed before the Board of Directors for discussion and necessary action.

**18. PARTICULARS OF EMPLOYEES:**

As on March 31, 2021, the Company has 12 employees, which included 6 employees on regular basis (deputed by the holding company) and 6 on contract basis.

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

**19. PROTECTION OF WOMEN AT WORKPLACE:**

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

After the close of the year, your Company has adopted the 'Policy for Prevention, Prohibition and Redressal of Sexual Harassment at Workplace' (POSH Policy) formulated by the holding company, IRCON. The Internal Complaints Committee (ICC) of IRCON formed as per the POSH Policy, at the Corporate Office as well as the nearest project office of IRCON, shall be the ICC under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 for dealing with the matters of IrconSGTL.

**20. MEMORANDUM OF UNDERSTANDING:**

Department of Public Enterprises (DPE) has granted exemption to your company from signing the Memorandum of Understanding (MOU) with the holding company, IRCON for FY 2020-21, in terms of the DPE MOU Guidelines.

**21. MSME COMPLIANCES:**

In exercise of powers conferred by section 9 of the Micro, Small and Medium Enterprise Development Act, 2006, the Central Government issued instructions that all companies registered under the Companies Act, 2013 with a turnover of more than ₹500 Crore and all CPSEs shall be required to get themselves on-boarded on the Trade Receivables Discounting System (TReDS) platform, set up as per the notification of the Reserve Bank of India. The Registrar of Companies (RoC) in each State shall be the competent authority to monitor the compliance of such instructions and also the Department of Public Enterprises, Government of India shall be the competent authority to monitor the compliance of such instructions by the CPSEs. In compliance with the above instruction, the Company has boarded on the TReDS platform w.e.f. December 16, 2019, to facilitate

the financing of trade receivables of MSEs by discounting of their receivables and realisation of their payment before the due date.

The Annual Procurement targets from MSMEs have been complied during FY 2020-21.

**22. DIRECTORS' RESPONSIBILITY STATEMENT:**

**(Pursuant to Section 134(3)(c) of Companies Act, 2013)**

In accordance with Section 134(5) of the Companies Act, 2013, the Board of Directors of the Company hereby confirms: -

- (a) that in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) that the directors had selected such accounting policies and applied them consistently and made judgments and estimates 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 and loss of the company for that period;
- (c) that the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) that the directors had prepared the annual accounts on a going concern basis; and
- (e) that the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**23. AUDITOR:**

**STATUTORY AUDITORS:**

The Comptroller & Auditor General of India (C&AG) appointed M/s P.R. Kumar & Co., Chartered Accountants (Firm Registration No. 003186N) as the Statutory Auditors of your Company for the FY 2020-21.

The Statutory Auditors of your Company have given report on the accounts of the Company for the FY 2020-21 drawing attention under 'Emphasis of Matter'. The management's reply to the observations of the Statutory Auditor, is as under -:

Observations of Statutory Auditor for FY ending 31.03.2021	Management Reply
The company has reduced the Gross	The observation mentioned, is factually

<p>Block of Intangible Assets by ₹ 0.83 Crore and the same amount transferred to tangible assets. Accordingly, the accumulated depreciation reduced by Rs 0.08 Crore. Correct classification of the assets made during the financial year under audit. The depreciation related to Tangible Assets has been calculated based on their life as per the estimates provided under the Accounting Policies of the company.</p>	<p>correct. Such Tangible Assets which could not be identified in earlier years, have been identified and reclassified under Tangible Assets, and adjustments as mentioned, have been made during the current financial year.</p>
<p>The company has independent software, namely "Comvision Tollway Management System" for the operation of Tollway Plaza and we have noticed that the company should have more robust controls so that the company can avoid to lose the revenue in relation to overweight charges</p>	<p>Though a fully state of the art software management system for monitoring of the Toll Traffic is in place since inception of the Toll Road, the facts mentioned above have been taken note of and the management will be reviewing the software again to enable mitigate of such weakness to improve the overall internal financial control of the Company.</p>

**COST AUDITORS:**

In accordance with the provisions of Section 148(1) of the Companies Act, 2013, read with the Companies (Cost Records and Audit) Rules, 2014, the Company has maintained cost accounts and records.

In compliance of Section 148 of the Companies Act, 2013, your company has appointed M/s Ravi Sahni & Co., Cost Accountants as the Cost Auditors of the Company for FY 2020-21.

**INTERNAL AUDITORS:**

Your Company during FY 2020-21 had appointed M/s V. M. Arora & Co., Chartered Accountants as Internal Auditors. M/s V. M. Arora & Co. had conducted internal audit during the year and submitted their internal audit report to the Company.

**SECRETARIAL AUDITOR:**

Pursuant to provision of section 204 of the Companies Act, 2013 and the Companies Appointment and Remuneration of Managerial Personnel) Rules, 2014, your Company has appointed M/s Vasisht & Associates, Company Secretary in practice (CP No. 21476), as secretarial audit of the Company for the financial year 2020-21.

M/s Vasisht & Associates has conducted Secretarial audit for the year under review and submitted their Secretarial audit report to the Company; the observations and the management replies thereto are as follows:

Observations of Secretarial Auditor for FY ending 31.03.2021	Management Reply
As required under Section 149(1) of the Companies Act, 2013 read with Rule 3 of Companies (Appointment and Qualification of Directors) Rules, 2014, the Company has not appointed Women Director for the Financial Year 2020-21	In terms of the Articles of Association of IrconSGTL, the appointment of all the Directors is made by the Holding Company, Ircon International Limited.  Since, IrconSGTL has no role to play in the appointment of Directors unless nominated by the Holding Company, a request had already been made to the holding company for appointment of a woman director on the Board of IrconSGTL.  In compliance of the provisions under the Companies Act, 2013, a woman Director has been nominated by the holding company and appointed on the Board of IrconSGTL w.e.f. 13.05.2021.

**24. C&AG REVIEW:**

The comments of Comptroller and Auditor General (C&AG) of India on the Financial Statements for the year ending March 31, 2021, have not been received as on the date of the report.

## 25. ANNEXURES TO THE REPORT:

The following reports are annexed and forms an integral part of this report:

- A. CEO/CFO CERTIFICATION:** The Chief Executive Officer and Chief Financial Officer have certified in writing with respect to the truth and fairness of the financial statements, due compliances, and financial reporting which was placed before the Board of Directors is placed as '**Annexure-A**' to this Report.
- B. SECRETARIAL AUDIT REPORT:** The Secretarial Audit Report by M/s Vasisht & Associates in MR-3 is enclosed to this report as '**Annexure-B**'.
- C. EXTRACT OF ANNUAL RETURN:** As per requirement of Section 92 (3), Section 134 (3) of the Companies Act, 2013 and Rule 12 of the Companies (Management and Administration) Rules, 2014, an extract of the annual return in Form No. MGT-99 is enclosed to this Report as '**Annexure-C**'.
- D. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:** During FY 2020-21 the related party transactions were with the holding company, IRCON and at arm's length basis and are in the ordinary course of business, and approved in terms of the Companies Act, 2013. The details of Related Party Transactions in form AOC-2 is enclosed to this report as '**Annexure-D**'.

## 26. OTHER DISCLOSURES:

- (i) Your Company has complied with the applicable Secretarial Standards relating to 'Meetings of the Board of Directors' and 'General Meetings' during the FY 2020-21.
- (ii) Your Company has not accepted any deposits from the public and as such, no amount on account of principal or interest on public deposits was outstanding as on the date of the balance sheet.
- (iii) Your Company has no Subsidiary / Associate / Joint Venture Company.
- (iv) There was no change in the nature of business of your company during the year ended March 31, 2021.
- (v) No applications have been received by your company under the Right to Information Act, 2005.
- (vi) There are no significant material orders passed by the Regulators/Courts which would impact the going concern status of the Company and its future operations. Further, there were no instances of fraud reported by the Auditors vide their Report for the FY 2020-21.

- (vii) There are no proceedings initiated / pending against your Company under the Insolvency and Bankruptcy Code, 2016 which materially impact the business of the Company.
- (viii) The Company has not given any loans or guarantees or made any investment covered under the provisions of section 186 of the Companies Act, 2013.
- (ix) All Director had disclosed his nature of interest/ concern in the company or companies or bodies corporate, firms, or other association of individuals as required under the Companies Act, 2013 from time to time.

### **ACKNOWLEDGEMENTS**

Your Directors place on record their appreciation for the support extended by the holding company, ICon International Limited, Ministry of Road Transport and Highways (MORTH) / National Highways Authority of India (NHAI), various other government agencies, Banks, Comptroller & Auditor General of India (C&AG), Statutory Auditors, Internal Auditor, Cost Auditors and Secretarial Auditor.

Your Directors take this opportunity to record their appreciation of the continuous support and contribution from all the employees of the Company and the Shareholders.

**For and on behalf of Board of Directors**

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

Date: 10.08.2021  
Place: New Delhi

**CEO & CFO CERTIFICATION**

To,  
The Board of Directors  
Ircan Shivpuri Guna Tollway Limited  
C-4, District Centre, Saket  
New Delhi – 110017

**Sub: Compliance Certificate for the year ended on 31.03.2021**

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

- (i) These statements do not contain any materially untrue statement or omit any material fact or contain statement that might be misleading;
- (ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (iii) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal, or violative of the Company's General Code of Conduct.
- (iv) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting. We have disclosed to the auditor the deficiencies in the design or operation of such internal controls of which we are aware and the steps we have taken or propose to rectify these deficiencies.
- (v) We have indicated to the Auditor any changes in Accounting Policies that may have been affected during the year, and that the same have been disclosed in the Notes to the Financial Statements; and
- (vi) There was no instance of fraud of which we are aware nor there has been involvement of the Management or an employee having a significant role in the Company's internal control system over financial reporting.

Sd/-

**(Sanjeev Kumar Gupta)**  
**Chief Financial Officer (CFO)**

Sd/-

**(Masood Ahmad)**  
**Chief Executive Officer (CEO)**

**Date: 21.06.2021**  
**Place: New Delhi**



**FORM NO. MR-3**

**SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR 2020-21**

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

To,  
The Members,  
**IRCON SHIVPURI GUNA TOLLWAY LIMITED**  
CIN: U45400DL2015GOI280017  
C-4, District Centre, Saket, South Delhi, Delhi 110017, India

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

Based on the verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has during the audit period covering the financial year ended on March 31, 2021 complied with the statutory provisions listed hereunder and also that the Company has proper Board- processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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

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

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

- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder; **;(Not Applicable to the Company)**
- (iv) The Foreign Exchange Management Act, 1999 and the rules made thereunder; **;(Not Applicable to the Company)**
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **(Not Applicable to the Company)**
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; **(Not Applicable to the Company)**
  - (c) The Securities and Exchange Board Of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; **(Not Applicable to the Company)**
  - (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(Not Applicable to the Company)**
  - (e) The Securities and exchange board of India (Share Based Employee Benefits) Regulations, 2014; **(Not Applicable to the Company)**
  - (f) The Securities and Exchange Board of India (Issue and Listing of Debt securities) Regulations, 2008; **(Not Applicable to the Company)**
  - (g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 and amendments thereof regarding the Companies Act and dealing with client; **(Not Applicable to the Company)**
  - (h) The Securities and Exchange Board of India (Delisting of Equity shares) Regulations, 2009; **(Not Applicable to the Company)**
  - (i) The Securities and Exchange Board of India (Buy back of securities) Regulations, 2018; **(Not Applicable to the Company)**
- (vi) I further report that having regards to the compliance system prevailing in the Company, on examination of the documents provided by the Company, the Company has complied with the following laws applicable to it :
  - a. Building and other construction workers (Regulation of Employment and conditions of service) Central Rules, 1998;
  - b. Building and other Construction Workers Welfare Cess Act, 1996;
  - c. Environmental Laws, as applicable;
  - d. Other applicable laws including labour laws like Provident Fund, ESI/EPF, Payment of Gratuity Act etc. for the period under review.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India;
- (ii) Guidelines on Corporate Governance for Central Public Sector Enterprises (CPSEs) issued by the Department of Public Enterprises vide their O.M. No. 18(8)/2005-GM dated 14th May, 2010; (However, it is understood that as the Company is constituted as Special Purpose Vehicle (SPV) got an exemption for appointment of independent directors, submitting Quarterly report and other Compliances of Corporate Governance Guidelines issued by Department of Public Enterprises (DPE), vide its O.M. dated July 11, 2019 and July 8, 2014.)

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Standards and Guidelines etc. mentioned above except to the extent as mentioned below;

***As required under Section 149(1) of the Companies Act, 2013 read with Rule 3 of Companies (Appointment and Qualification of Directors) Rules, 2014, the Company has not appointed Women Director for the Financial Year 2020-21.***

**I further report that:**

*Subject to the aforementioned compliance under Section 149 of the Companies Act, 2013 for the appointment of Women Director, the Board of Directors of the Company has been duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. However, the Board of Directors of the Company being a Special Purpose Vehicle (SPV) and wholly-owned subsidiary company is appointed by the holding company ("IRCON International Limited") as per Articles of Association of the company. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.*

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent adequately in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Decisions at the Board Meetings, as represented by the management, were taken unanimously.

Dissenting members' views were not required to be captured and recorded as part of the minutes as there were no such instance.

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

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

**For VASISHT & ASSOCIATES;**

(Company Secretaries)

Shobhit Vasisht  
Digitally signed by  
Shobhit Vasisht  
Date: 2021.06.07  
11:58:07 +05'30'

**CS SHOBHIT VASISHT**

**UDIN: A045412C000426694**

**Peer Review No: 844/2020**

**Membership No: 45412**

**C P No: 21476**

**Date :** June 7, 2021

**Place:** New Delhi

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

To,

The Members,

**IRCON SHIVPURI GUNA TOLLWAY LIMITED**

CIN: U45400DL2015GOI280017

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

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

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

**For VASISHT & ASSOCIATES;**

(Company Secretaries)

Shobhit  
Vasisht

Digitally signed by  
Shobhit Vasisht  
Date: 2021.06.07  
11:58:31 +05'30'

**CS SHOBHIT VASISHT**

**UDIN: A045412C000426694**

**Peer Review No: 844/2020**

**Membership No: 45412**

**C P No: 21476**

**Date :** June 7, 2021

**Place:** New Delhi

**FORM NO.MGT -9  
EXTRACT OF ANNUAL RETURN**

As on the Financial Year ended 31<sup>st</sup> March, 2021  
(Pursuant to Section 92(3) of the Companies Act, 2013 and  
rule 12 (1) of the Companies (Management and  
Administration) Rules, 2014)

**I. REGISTRATION AND OTHER DETAILS**

1	Corporate Identity Number (CIN)	-	<b>U45400DL2015GOI280017</b>
2	Registration Date	-	<b>12<sup>th</sup> May 2015</b>
3	Name of the Company	-	<b>Ircon Shivpuri Guna Tollway Limited</b>
4a)	Category of the Company	-	<b>Public Company</b>
4b)	Sub-category of the Company	-	<b>Government Company (Wholly owned subsidiary of Ircon International Limited), limited by shares and company having share capital</b>
5	Address of the Registered office & contact details	-	<b>Plot No. C-4, District Centre, Saket, New Delhi - 110017</b>
			<b>Ph. No.: 011-26545267</b>
			<b>Email id: cs.irconsctl@gmail.com</b>
6	Whether Listed Company (Yes/ No)	-	<b>No</b>
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	-	<b>NIL</b>

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

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

Sl. No.	Name and Description of Main Products / Services	NIC Code of the Product/service	% to total turnover of the Company
1	Rendering Services in the nature of construction Project Highway on Shivpuri Guna Section (NH-3) in the State of Madhya Pradesh  Construction services: Highway Project (through EPC Contractor)	42101	100%

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

Sl. No.	Name and Address of the Company	CIN/ GLN	Holding/ subsidiary/ Associate	% of shares held	Applicable section
1	Ircon International	L45203DL1976GOI0081	Holding	100%	2(46)

Limited C-4, District Centre, Saket, New Delhi -110017	71			
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\*100% Shares held by Ircon International Limited (IRCON) and its 7 Nominees.

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

##### (i) CATEGORY-WISE SHARE HOLDING:

Category of Shareholders	No. of Shares held at the beginning of the year i.e. 01.04.2020				No. of Shares held at the end of the year i.e. 31.03.2021				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters and promoter group</b>									
<b>(1) Indian</b>									
a) Individual/HUF	-	-	-	-	-	-	-	-	-
b) Central Govt/ State Govt(s)	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	Nil	150000000	150000000	100%	Nil	150000000	150000000	100%	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) others	-	-	-	-	-	-	-	-	-
<b>Sub Total A(1)</b>	<b>Nil</b>	<b>150000000</b>	<b>150000000</b>	<b>100%</b>	<b>Nil</b>	<b>150000000</b>	<b>150000000</b>	<b>100%</b>	<b>-</b>
<b>(2) Foreign</b>									
a) Individual (NRI's/Foreign Individuals)	-	-	-	-	-	-	-	-	-
b) Bodies Corp.	-	-	-	-	-	-	-	-	-
c) Institutions	-	-	-	-	-	-	-	-	-
d) Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
e)others	-	-	-	-	-	-	-	-	-
<b>Sub Total A(2)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Total A = A(1) + A(2)	<b>Nil</b>	<b>150000000</b>	<b>150000000</b>	<b>100%</b>	<b>Nil</b>	<b>150000000</b>	<b>150000000</b>	<b>100%</b>	<b>-</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									

a) Mutual Funds/UTI	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt/ State Govt(s)	-	-	-	-	-	-	-	-	-
d) Venture Capital Funds	-	-	-	-	-	-	-	-	-
e) Insurance Companies	-	-	-	-	-	-	-	-	-
f) Foreign Institutional Investors	-	-	-	-	-	-	-	-	-
g) Foreign Venture Capital Investors	-	-	-	-	-	-	-	-	-
h) Qualified Foreign Investors	-	-	-	-	-	-	-	-	-
i) Others	-	-	-	-	-	-	-	-	-
<b>Sub-total B (1):</b>	-	-	-	-	-	-	-	-	-
<b>2. Non-Institutions</b>									
a) Bodies Corp.	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individuals holding nominal share capital upto ₹ 1 lakh.	-	-	-	-	-	-	-	-	-
ii) Individuals holding nominal share capital in excess of ₹ 1 lakh	-	-	-	-	-	-	-	-	-
c) Others	-	-	-	-	-	-	-	-	-
d) Qualified Foreign Investors	-	-	-	-	-	-	-	-	-
<b>Sub-total B (2):</b>	-	-	-	-	-	-	-	-	-
<b>Total B = B(1) + B(2)</b>	-	-	-	-	-	-	-	-	-

C. Shares held by Custodian against which Depository receipts have been issued	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	<b>Nil</b>	<b>150000000</b>	<b>150000000</b>	<b>100%</b>	<b>Nil</b>	<b>150000000</b>	<b>150000000</b>	<b>100%</b>	<b>-</b>

**Notes:**

1. IrconSGTL is a wholly-owned subsidiary of Ircon International Limited (IRCON).

2. 14,99,99,200 shares of ₹10/- each held by IRCON and 800 shares of ₹10/- each are held by 7 nominee shareholders "for and on behalf of Ircon International Limited" i.e. 1 shareholder is holding 200 shares and rest 6 shareholders are holding 100 shares.

**(ii) SHAREHOLDING OF PROMOTERS:**

S. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year*			% Change in Shareholding during the Year
		No. of Shares	% of Total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of Total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1.	Ircon International Limited *	150000000	100%	Nil	150000000	100%	Nil	-
		150000000	100%	Nil	150000000	100%	Nil	-

\*List of Shareholdings by IRCON and its nominees as on 31<sup>st</sup> March 2021, are attached as **Annexure**

\*100 shares held by the Shri Rajendra Singh Yadav, nominee shareholder on behalf of IRCON were transferred to IRCON on 09.11.2020.

**(iii) CHANGE IN PROMOTERS' SHAREHOLDING:**

S. No.	Particulars	Shareholding at the beginning of the Year, as on 31st March 2020		Cumulative Shareholding during the Year, as on 31st March 2021	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1.	At the Beginning of the Year (01.04.2020)	150000000	100%	150000000	100%
2.	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	NIL			
3.	At the End of the Year (31.03.2021)	150000000	100%	150000000	100%

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

S. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of Total Shares of the Company
1.	At the Beginning of the Year (01.04.2020)	<b>NOT APPLICABLE</b>			
2.	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):				
3.	At the End of the Year (31.03.2021)				

(v) **SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

Shareholding of Each Director(s) and Each Key Managerial Personnel	Shareholding at the beginning of the Year, as on 31 <sup>st</sup> March 2020		Cumulative Shareholding during the Year as on 31 <sup>st</sup> March 2021	
	No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
At the Beginning of the Year	-			
Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	<b>NIL</b>			
At the End of the Year				

**Note:**

1. As on 31<sup>st</sup> March 2021, 100 equity shares of ₹10/- each held by the Directors of the Company, viz. Shri Ashok Kumar Goyal & Shri Surajit Dutta, only "for and on behalf of Ircn International Limited and 200 equity shares of ₹10 each is held by the Chairman of the Company i.e. Shri Shyam Lal Gupta, "for and on behalf of Ircn International Limited."

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

(Amount in ₹)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	5641500000	-	-	5641500000
ii) Interest due but not paid	-			-
iii) Interest accrued but not due	-			-
<b>Total (i+ii+iii)</b>	5641500000			
<b>Total Secured Loans (i+ii+iii)</b>	5641500000			

<b>Change in Indebtedness of Principal during the financial year</b>				
* Addition				
* Reduction	381500000			381500000
<b>Net Change (in Secured Loans)</b>		381500000		
<b>Change in Indebtedness of Interest during the financial year</b>				
* Addition				
* Reduction				
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount of Secured Loan	526000000	-	-	526000000
ii) Interest due but not paid	-			-
iii) Interest accrued but not due	-			-
<b>Total Secured Loans (i+ii+iii)</b>		526000000		

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

### (A) REMUNERATION TO MANAGING DIRECTOR, WHOLE-TIME DIRECTORS AND/OR MANAGER\*:

S. No.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
1.	Gross salary	<b>NOT APPLICABLE</b>	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961		
2.	Stock Option		
3.	Sweat Equity		
4.	Commission - as % of profit - others, specify...		
5.	Others, please specify		
	<b>Total (A)</b>		
	<b>Ceiling as per the Act</b>		

\* IrconSGTL has Part-time Directors nominated on the Board by the holding company "IRCON". They do not draw any remuneration from the Company. No sitting fee is paid to the Part-time Directors.

### (B). REMUNERATION TO OTHER DIRECTORS:

S.No	Particulars of Remuneration	Name of Directors	Total Amount
1	Independent Directors	<b>NOT APPLICABLE</b>	
	Fee for attending board committee meetings		
	Commission		
	Others, please specify		
	<b>Total (B1)</b>		
2	Other Non-Executive Directors		
	Fee for attending board committee meetings		
	Commission		

Others, please specify
<b>Total (B2)</b>
<b>Total (B)=(1+2)</b>
<b>Total Managerial Remuneration (A+B)</b>
<b>Ceiling as per the Act – not applicable</b>

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

(Amount in ₹)

S. No.	Particulars of Remuneration	Key Managerial Personnel				Total
		CEO Shri Masood Ahmad (During 2020-21)	CFO Shri Sanjeev Kumar Gupta (During 2020-21)	CS Ms. Sakshi Mehta (upto 19.08.2020)	CS Ms. Iti Matta (w.e.f 24.09.2020)	
1	Gross Salary	25,34,163	15,69,535	2,22,532	8,11,770	51,38,000
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	1,11,254	47,632	-	-	1,58,886
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-	-
2	Stock Option	-	-	-	-	-
3	Sweat Equity	-	-	-	-	-
4	Commission	-	-	-	-	-
5.	Performance linked incentive	4,65,000	2,00,000	-	74,083	7,39,083
6.	Retirement benefits	7,92,547	5,14,504	8,419#	2,24,367	15,39,837
	<b>Total (C)</b>	<b>39,02,964</b>	<b>23,31,671</b>	<b>2,30,951</b>	<b>11,10,220</b>	<b>75,75,806</b>

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

# PF Contribution

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					

Penalty	NIL
Punishment	
Compounding	
<b>B. DIRECTORS</b>	
Penalty	NIL
Punishment	
Compounding	
<b>C. OTHER OFFICERS IN DEFAULT</b>	
Penalty	NIL
Punishment	
Compounding	

For and on behalf of Board of Directors

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

Date: 10.08.2021  
Place: New Delhi

**Annexure**

**List of Shareholding by Ircon International Limited and its nominees  
(as on 31<sup>st</sup> March 2021)**

Sl. No.	Name of the Shareholder	No. of shares held (of Rs 10/- each)
1	Ircon International Limited	14,99,99,200
2	Shri Shyam Lal Gupta*	200
3	Shri Ashok Kumar Goyal*	100
4	Shri Yogesh Kumar Misra*	100
5	Shri Surajit Dutta*	100
6	Shri Parag Verma*	100
7	Shri Subhash Chand*	100
8	Shri B. Mugunthan*	100
	<b>Total</b>	<b>15,00,00,000</b>

\* 200 shares held by one nominee shareholder and 100 share each held by six nominee shareholders; all are officials of the holding company Ircon International Limited.

**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 arms length transactions under third proviso thereto**

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:

Name of the related party and nature of relationship	Nature of contracts / arrangements / transactions	Duration of contracts / arrangements / transactions	Salient terms of contracts / arrangements / transactions, including the value, if any	Date of approval by the BoD, if any	Amount received / paid as advances by IrrconSGTL, if any (₹ in Crore)
Irrcon International Limited (IRCON), Holding Company	1. <b>EPC Agreement</b>  (For appointing IRCON as EPC Contractor)	<b>Date:</b> EPC Agreement executed on 20.01.2021. <b>Duration:</b> 12 months from letter of award dated 01.01.2021 or handover of site, whichever is later.	Execution of complete scope of work of Stage-2 of the project 'Four laning of Shivpuri to Guna from Km 236.000 to Km 332.100 (Package 1) in the State of Madhya Pradesh.	N.A.	NIL
	2. <b>Lease Agreement</b>  (To take on lease the Registered Office Premises of IRCON)	<b>Date:</b> Lease Agreement executed on 27.06.2018 <b>Duration:</b> 3 years w.e.f. 01.07.2018	Rent: @ ₹19,305/- p.m. plus GST for an area of 65 sqm.	N.A.	NIL

*Note: The details of "Related Party Disclosures" are being disclosed in Notes to the accounts in the Financial Statements.*

**For and on behalf of Board of Directors**

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

Date: 10.08.2021  
Place: New Delhi

**AUDITORS' REPORT  
&  
FINANCIAL STATEMENTS**

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**REVISED INDEPENDENT AUDITOR'S REPORT**

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**To THE MEMBERS OF  
IRCON SHIVPURI GUNA TOLLWAY LIMITED  
Report on the Audit of the Financial Statements**

**Opinion**

We have audited the financial statements of **M/s IRCON SHIVPURI GUNA TOLLWAY LIMITED** (a wholly owned subsidiary of M/s IRCON International Limited ("the parent Company"), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the statement of Cash Flow Statement and the Statement of Changes in Equity for the year then ended and notes to the financial statements including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and its losses including Other Comprehensive Income, its cash flows and the changes in equity for the year ended on that date.

This report has been revised consequent upon observations of Comptroller of Auditor General of India during the course of audit u/s 139(5) of the Companies Act, 2013 as amended, for the year ended on March 31, 2021, and this report supersedes our earlier report dated June 22, 2021 under section 143 of the Companies Act, 2013.

**Basis for Opinion**

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

**Emphasis of Matters**

We draw attention to Notes No 3 & 4 of the financial statements as under:



Contd...2

The company has reduced the Gross Block of Intangible Assets by Rs. 0.83 crore and the same amount transferred to tangible assets. Accordingly, the accumulated depreciation reduced by Rs 0.08 crore. Correct classification of the assets made during the financial year under audit. The depreciation related to Tangible Assets has been calculated based on their life as per the estimates provided under the Accounting Policies of the company.

Our opinion is not modified in respect of the aforesaid matters.

**Information Other than the Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the other information. The other information comprises Directors Report alongwith its annexures including Secretarial Audit Report but does not include the financial statements and our auditor's report thereon. Such other information is expected to be made available to us after the date of this auditor's report.

Our opinion on the 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 financial statements, our responsibility is to read the other information identified above when it becomes available and in doing so consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the report mentioned above, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance. As the other information is not made available to us as at the date of this auditor's report, we have nothing to report in this regard.

**Responsibility of Management for Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134 (5) of the Company's Act ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including Other Comprehensive Income, cash flows and changes in equity of the Company in accordance with the 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. 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.



Contd...3

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.

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

### **Auditor's Responsibility for the Audit of Financial Statements**

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

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

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



Contd...4

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.

### Other Matters

Due to the COVID 19 Pandemic evolved in the country during the audit, we could not visit the Toll Plaza site and we have formed our opinion based on limited records and documents made available to us at Head Office in Delhi.

We draw attention to Note No. 37(c) of Financial statements which describe the management's assessment of financial impact of the outbreak of Coronavirus (Covid-19) pandemic situation, for which a definitive assessment of the impact in the subsequent period is dependent on the circumstances as they evolve.

Our opinion is not modified in this respect.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the **Annexure-I** a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable,
2. We are enclosing our report in terms of Section 143(5) of the Act, on the basis of such checks of the books and records of the company as we considered appropriate and according to the information and explanations given to us, in the **Annexure-II** on the directions and sub-directions issued by the Comptroller and Auditor General of India.
3. 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 purpose 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, Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account,
  - d. the aforesaid financial statements comply with the Indian Accounting Standards specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;

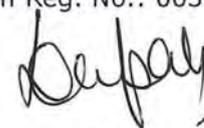
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- e. Being a Government Company, pursuant to the Notification No. GSR 463(E) dated 5<sup>th</sup> June 2015 issued by Ministry of Corporate Affairs, Government of India, provisions of sub-section (2) of Section 164 of the Companies Act, 2013, are not applicable to the Company;
- 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 **Annexure III**;
- g. Being a Government Company, pursuant to the Notification No. GSR 463(E) dated 5<sup>th</sup> June 2015 issued by Ministry of Corporate Affairs, Government of India, provisions of sub-section (16) of Section 197 of the Companies Act, 2013, are not applicable to the Company;
- 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, 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 impact its financial position Refer Note No. 31 to the financial statements;
  - ii) The company did not have long term contracts including derivative contracts for which there were any material foreseeable losses;
  - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

PLACE: NEW DELHI  
DATE: 26<sup>th</sup> JULY, 2021

For **P R Kumar & Co.**  
Chartered Accountants  
Firm Reg. No.: 003186N



**(Deepak Srivastava)**  
Partner  
M. No.: 501615



**UDIN: 21501615AAAABR5281**

**ANNEXURE OF THE INDEPENDENT AUDITOR'S REPORT**

(Referred to paragraph (1) under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date)

- (i) (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) The company has conducted physical verification of the Fixed Assets during the financial year under audit, and no discrepancies observed related to fixed assets appearing under Fixed Assets Register.
- (c) The company does not have any immovable property, consequently Clause (c) of Para (i) of Paragraph 3 of the Order are not applicable.
- (ii) The company does not have any inventory and consequently, clauses (ii) of paragraph 3 of the Order are not applicable.
- (iii) According to the information and explanations provided to us, the Company has not granted any secured or unsecured loans to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013, consequently, provisions of sub-clause (iii)(a), (b) & (c) of the Paragraph 3 of the Order are not applicable.
- (iv) The Company has not given any loan, guarantee, security or made investment as stipulated under Sections 185 & 186 of the Companies Act, consequently, clause (iv) of the Paragraph 3 of the Order is not applicable.
- (v) According to the information and explanation given to us, the Company has not accepted deposits as per the provisions of the Companies Act, 2013 and consequently, directives issued by the Reserve Bank of India; the provisions of section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the Rules framed there under are not applicable.
- (vi) The provisions of the maintenance of the cost records as has been specified under sub-section (1) of Section 148 of the Companies Act, 2013 and maintenance of cost records are applicable on the company, however, in the absence of any record provided to us, we are unable to comment upon the maintenance of cost records by the company.
- (vii) (a) The company has been regular in depositing with appropriate authorities undisputed statutory dues including Income Tax, Goods and Services Tax, Customs Duty, Cess and other material statutory dues as applicable to it. Being a wholly owned subsidiary of M/s IRCON International Limited (the parent company), majority of the employees are on standby deputation basis, therefore, statutory dues related to such employees, such as Provident Fund, Employees State Insurance Company, Professional Tax, as applicable, are being deducted and deposited by the parent company. However, Employees who are on the payroll of the company, all the employees related statutory dues, such as Provident Fund, Professional Tax as applicable, are being deducted and deposited by company on regular basis.
- (b) According to the information and explanations given to us, there are no disputed statutory dues pending as at the end of the Financial Year under audit.

Contd...2



- (viii) In our opinion and according to the information and explanations given to us, the company has neither taken any loan from financial institution, bank, government nor issued any debenture, hence provisions under clause (viii) of the Paragraph 3 of the Order is not applicable to the company.
- (ix) According to the information and explanations given to us, the company has not raised moneys by way of initial public offer (including debt instruments) and no term loan has been raised during the year, hence provisions under clause (ix) of the Paragraph 3 of the Order is not applicable to the company.
- (x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year
- (xi) Being a Government Company, pursuant to the Notification No. GSR 463(E) dated 5<sup>th</sup> June 2015 issued by Ministry of Corporate Affairs, Government of India, provisions of Section 197 of the Companies Act, 2013, are not applicable to the Company, hence clause 3(xi) of the Order is not applicable.
- (xii) The company is not a Nidhi Company, hence in our opinion and according to the information and explanations given to us, clause 3 (xii) of the Order is not applicable.
- (xiii) As per the information and explanations provided to us, the company has transacted with the related party, i.e., M/s IRCON International Limited (Parent Company) as per the provisions of the Section 177 and 188 of the Companies Act, 2013 and the disclosure has been done under the financial statements.
- (xiv) The company has not made any preferential allotment or private placement of shares or fully or partly executable debentures during the year under review, accordingly, in our opinion and according to the information and explanations given to us, clause 3 (xiv) of the Order is not applicable.
- (xv) The company has not entered into any non cash transactions with directors or persons connected with him, accordingly, in our opinion and according to the information and explanations given to us, clause 3 (xv) of the Order is not applicable.
- (xvi) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934, accordingly, in our opinion and according to the information and explanations given to us, clause 3 (xvi) of the Order is not applicable.

PLACE: NEW DELHI  
DATE: 26<sup>th</sup> JULY, 2021

**UDIN: 21501615AAAABR5281**

For **P R Kumar & Co.**  
Chartered Accountants  
Firm Reg. No.: 003186N

*Deepak*

**(Deepak Srivastava)**  
Partner  
M. No.: 501615



**ANNEXURE OF THE INDEPENDENT AUDITOR'S REPORT**

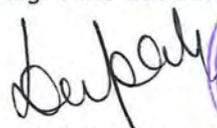
(Referred to paragraph (2) under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date)

Sl.No.	Query	Response
1.	Whether the Company has system in place to process all the accounting transactions through IT System? If yes, the implications of processing of accounting transactions outside IT System on the integrity of the accounts along with the financial implications, if any, may be stated.	The company has separate software for managing the Operations at Toll Plaza, named as "Comvision Toll Management System" and Accounting Records are being maintained under "Tally Solutions" and both the softwares are not integrated.
2.	Whether there is any restructuring of an existing loan or cases of waiver / write off of debts / loans / interest etc. made by a lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated. Whether such cases are properly accounted for? (In case, lender is a Government company, then this direction is also applicable for statutory auditor of lender company).	There were no cases of waiver / write-off of debts/loans/interest.
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.	There were no funds which have been received / receivable for specific schemes from Central / State agencies.

PLACE: NEW DELHI  
DATE: 26<sup>th</sup> JULY, 2021

**UDIN: 21501615AAAABR5281**

For **P R Kumar & Co.**  
Chartered Accountants  
Firm Reg. No.: 003186N

  
**(Deepak Srivastava)**  
Partner  
M. No.: 501615



**ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF IRCON SHIVPURI GUNA TOLLWAY LIMITED**

(Referred to paragraph {3(f)} under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date)

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

We have audited the internal financial controls over financial reporting of M/s IRCON SHIVPURI GUNA TOLLWAY LIMITED ("the Company") as of March 31, 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. 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.

**Auditors' 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, 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 judgement, 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.



Contd...2

### **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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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**

According to the information and explanation given to us and based on our audit, the following material weakness has been identified as at March 31, 2021:

- The company has independent software, namely "Comvision Tollway Management System" for the operation of Tollway Plaza and we have noticed that the company should have more robust controls so that the company will not lose the revenue in relation to overweight charges;

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual financial statements will not be prevented or detected on a timely basis.

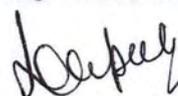
In our opinion, except for the effects/possible effects of the material weakness/es described above on the achievement of the objectives of the control criteria, the Company has maintained, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as of March 31, 2021, 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.



Contd...3

We have considered the material weakness identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the March 31, 2021 financial statements of the Company, and the material weakness does not affect our opinion on the financial statements of the Company.

For **P R Kumar & Co.**  
Chartered Accountants  
Firm Reg. No.: 003186N



PLACE: NEW DELHI  
DATE: 26<sup>th</sup> JULY, 2021

**(Deepak Srivastava)**  
Partner  
M. No.: 501615

**UDIN: 21501615AAAABR5281**

(in Rs. crore)

Particulars	Note No.	As at 31st March 2021	As at 31st March 2020
<b>I. ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Property, Plant and equipment	3	0.57	0.06
(b) Intangible Assets	4	608.65	650.88
(c) Intangible assets under development		-	-
(d) Financial Assets			
(i) Others	5	0.14	0.15
(e) Deferred tax assets (Net)	6	-	-
<b>Total Non-current assets</b>		<u>609.36</u>	<u>651.09</u>
<b>2 Current assets</b>			
(a) Financial Assets	7		
(i) Trade Receivables	7.1	0.46	0.14
(ii) Cash and cash equivalents	7.2	6.42	3.32
(iii) Loans	7.3	-	-
(iv) Others	7.4	0.01	0.42
(b) Current Tax Assets (Net)	8	0.04	0.75
(c) Other current assets	9	-	0.34
<b>Total Current assets</b>		<u>6.93</u>	<u>4.97</u>
<b>Total Assets</b>		<u>616.29</u>	<u>656.06</u>
<b>II. EQUITY AND LIABILITIES</b>			
<b>1 Equity</b>			
(a) Equity Share Capital	10	150.00	150.00
(b) Other Equity	11	(76.25)	(62.19)
<b>Total Equity</b>		<u>73.75</u>	<u>87.81</u>
<b>2 Liabilities</b>			
<b>(i) Non-current liabilities</b>			
(a) Financial Liabilities	12		
(i) Borrowings	12.1	490.07	540.87
(ii) Trade Payables		-	-
- Dues of Micro Enterprises and Small Enterprises		-	-
- Total outstanding dues other than of Micro Enterprises and Small Enterprises		-	-
(iii) Other financial liabilities		-	-
(b) Provisions	13	10.47	-
(c) Deferred Tax Liabilities Net	6	-	-
(d) Other Non-Current Liabilities		-	-
<b>Total Non-current liabilities</b>		<u>500.54</u>	<u>540.87</u>
<b>(ii) Current liabilities</b>			
(a) Financial Liabilities	14		
(i) Borrowings		-	-
(ii) Trade payables	14.1		
- Dues of Micro Enterprises and Small Enterprises		-	-
- Total outstanding dues Other than of Micro Enterprises and Small Enterprises		0.46	1.08
(iii) Other financial liabilities	14.2	41.06	25.63
(b) Other current liabilities	15	0.48	0.67
(c) Provisions	13	-	-
(d) Current Tax liability (Net)		-	-
<b>Total Current liabilities</b>		<u>42.00</u>	<u>27.38</u>
<b>Total Equity and Liabilities</b>		<u>616.29</u>	<u>656.06</u>
III. Summary of Significant Accounting policies	1 - 2		
IV. Notes forming part of financial statements	3-37		

As per our Report of even date attached

For and on behalf of Ircan Shivpuri Guna Tollway Limited

For P. R. KUMAR & Co.  
Chartered Accountants  
Firm Reg. No.: 003186N  
(CA Deepak Srivastava)  
Partner  
M. No. 501615



(Sh. Yogesh Kumar Misra)  
Chairman  
DIN-07654013  
(Masood Ahmad Najjar)  
Chief Executive Officer

(Surajit Dutta)  
Director  
DIN-06687032

(Sanjeev Kumar Gupta)  
Chief Financial Officer

(Iti Matta)  
Company Secretary

Place: New Delhi

Date: 22/06/2021

UIN: 21501615AAAABQ3802



(in Rs. crore)

Particulars	Note No.	For the year ended 31st March 2021	For the year ended 31st March 2020
I. <b>Revenue :</b>			
Revenue from operations	16	110.78	94.44
II. Other income	17	0.38	0.44
III. <b>Total Income (I + II)</b>		111.16	94.88
IV. <b>Expenses:</b>			
Project Expenses	18	40.11	29.58
Employee benefits expenses	19	1.72	1.60
Finance costs	20	41.51	52.81
Depreciation, Amortisation and Impairment	21	41.73	41.55
Other Expenses	18	0.15	0.07
<b>Total Expenses (IV).</b>		125.22	125.61
V. <b>Loss Before exceptional items and Tax (III - IV)</b>		(14.06)	(30.73)
VI. Exceptional items		-	-
VII. <b>Loss before tax (V + VI)</b>		(14.06)	(30.73)
VIII. Tax expenses:			
(1) Current tax			
- For the Period		-	-
- For earlier years (net)		-	0.03
(2) Deferred tax (net)	6	-	0.07
<b>Total Tax Expense</b>		-	0.10
IX. <b>Loss for the period from continuing operation (VII - VIII)</b>		(14.06)	(30.83)
X. <b>Other Comprehensive Income</b>		-	-
XI. <b>Total Comprehensive Income for the period (IX +X) (Comprising profit/(Loss) and other comprehensive income for the year, net of tax)</b>		(14.06)	(30.83)
XII. Earnings Per Equity Share: (For Continuing Operation)			
(1) Basic ( Absolute Value in INR)	29	(0.94)	(2.06)
(2) Diluted ( Absolute Value in INR)	29	(0.94)	(2.06)
Face Value Per Equity Share		10.00	10.00

As per our Report of even date attached

For and on behalf of Ircon Shivpuri Guna Tollway Limited

For P. R. KUMAR & Co.  
Chartered Accountants  
Firm Reg. No: 003186N  
(CA Deepak Srivastava)  
Partner  
M. No. 501615



Place : New Delhi  
Date : 22/06/2021

UIN : 21501615 AAAAB 63802

(Sh Yogesh Kumar Misra)  
Chairman  
DIN-07654014

(Masood Ahmad Najar)  
Chief Executive Officer

(Surajit Dutta)  
Director  
DIN-06687032

(Sanjeev Kumar Gupta)  
Chief Financial Officer

(Iti Matta)  
Company Secretary



Particulars		As at 31st March 2021	As at 31st March 2020
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Net Profit before taxation		(14.06)	(30.73)
Adjustment for:			
Depreciation, amortization and impairment		41.73	41.55
Finance Cost		41.51	52.81
Interest Income		(0.34)	(0.43)
<b>Operating Profit before Current / Non-Current Assets and Liabilities</b>	<b>(1)</b>	<b>68.84</b>	<b>63.20</b>
Adjustment for:			
Decrease / (Increase) in Trade Receivables/ Financial Assets - Loans		(0.33)	0.55
Decrease / (Increase) in Other Assets & Financial Assets		0.76	(0.36)
(Decrease) / Increase in Trade Payables		(0.62)	(19.74)
(Decrease) / Increase in Other Liabilities, Financial Liabilities & Provisions		13.07	(0.86)
<b>Cash generated from operations</b>	<b>(2)</b>	<b>12.88</b>	<b>(20.41)</b>
Income Tax Paid (net)	<b>(1+2)</b>	<b>81.72</b>	<b>42.79</b>
		0.72	0.72
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>(A)</b>	<b>82.44</b>	<b>43.51</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Purchase of Property, Plant and Equipment including CWIP		(0.02)	(0.01)
Purchase of Intangible Assets/ Intangible assets under development		-	-
Purchase / Proceeds of Investment Property		-	-
Sale of Property, Plant and Equipments & Intangible Assets		-	-
Exchange Gain/ Loss on Property, Plant and Equipment		-	-
Sale of Investments		-	-
Investments in Mutual Funds		-	-
Loan to Subsidiaries & Joint Ventures		-	-
Repayment of Loan from Subsidiaries & Joint Ventures		-	-
Interest Received		0.34	0.46
Dividend Received		-	-
Investment in Equity Shares		-	-
Investment in Bonds		-	-
(Investment) / Maturity of Bank Deposits (having maturity of more than 3 months)		-	-
<b>NET CASH FROM INVESTING ACTIVITIES</b>	<b>(B)</b>	<b>0.32</b>	<b>0.45</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Loan From IRCON (Holding Co.)		-	18.00
Repayment of Loan to IRCON (Holding Co.)		(38.15)	(15.44)
Borrowing Cost		(41.51)	(52.81)
<b>NET CASH FROM FINANCING ACTIVITIES</b>	<b>(C)</b>	<b>(79.66)</b>	<b>(50.25)</b>
Effect of Exchange differences on translation of Foreign Currency Cash & Cash Equivalents	<b>(D)</b>	-	-
<b>NET DECREASE IN CASH &amp; CASH EQUIVALENTS</b>	<b>(A+B+C+D)</b>	<b>3.10</b>	<b>(6.29)</b>
<b>CASH AND CASH EQUIVALENT (OPENING)</b>			
Cash Balances	<b>(E)</b>	<b>3.32</b>	<b>9.61</b>
Balance with Banks			
In current Accounts		0.02	0.01
In Flexi Accounts		3.30	6.10
Short term investments			3.49
<b>CASH AND CASH EQUIVALENT (CLOSING)</b>	<b>(F)</b>	<b>6.42</b>	<b>3.32</b>
Cash Balances			
Balance with Banks			
In current Accounts		0.07	0.02
In Flexi Accounts		6.35	3.30
Short term investments			
<b>NET INCREASE / (DECREASE) IN CASH &amp; CASH EQUIVALENT</b>	<b>(F - E)</b>	<b>3.10</b>	<b>(6.29)</b>

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

As per our Report of even date attached

For P. R. KUMAR & Co.  
Chartered Accountants  
Firm Reg. No.: 00186N

(CA Deepak Srivastava)  
Partner  
M. No. 501615

Place: New Delhi  
Date: 22/06/2021

UJIN: 21501615AAAABQ3802



(Sh Yogesh Kumar Misra)  
Chairman  
DIN-07654011

(Masood Ahmad Jaffer)  
Chief Executive Officer

(Surajit Dutta)  
Director  
DIN-06687032

(Sanjeev Kumar Gupta)  
Chief Financial Officer

(In Marra)  
Company Secretary



A. Equity Share Capital (For the year ended 31st March 2021)

(Rs. in crore)

Particulars	Amount
Balance as at 1 April, 2019	150.00
Changes in equity share capital during the year	-
Balance as at 31 March, 2020	150.00
Changes in equity share capital during the year	-
Balance as at 31st March, 2021	150.00

B. Other Equity

For the year ended 31st March 2020

(Rs. in crore)

Particulars	Reserves & Surplus			Other Comprehensive Income	Total
	General Reserves	Retained Earnings	Capital Redemption Reserve	Exchange differences on translating the financial statement of a foreign operation	
Balance as at 1 April, 2019	-	(31.36)	-	-	(31.36)
Changes in accounting policy or prior period errors	-	-	-	-	-
Balance as at 1 April, 2019 (Restated)	-	(31.36)	-	-	(31.36)
Profit/(Loss) for the year	-	(30.83)	-	-	(30.83)
<b>Other Comprehensive Income</b>					
Remeasurment of Defined Benefit Plans	-	-	-	-	-
Foreign Exchange translation difference	-	-	-	-	-
<b>Total Comprehensive Income for the period</b>	-	(30.83)	-	-	(30.83)
Dividends Paid	-	-	-	-	-
Dividend Distribution Tax	-	-	-	-	-
Balance as at March 31, 2020	-	(62.19)	-	-	(62.19)

For the year ended 31st March 2021

(Rs. in crore)

Particulars	Reserves & Surplus			Other Comprehensive Income	Total
	General Reserves	Retained Earnings	Capital Redemption Reserve	Exchange differences on translating the financial statement of a foreign operation	
Balance as at 1 April, 2020	-	(62.19)	-	-	(62.19)
Changes in accounting policy or prior period errors	-	-	-	-	-
Balance as at 1 April, 2020 (Restated)	-	(62.19)	-	-	(62.19)
Profit/(Loss) for the year	-	(14.06)	-	-	(14.06)
<b>Other Comprehensive Income</b>					
Remeasurment of Defined Benefit Plans	-	-	-	-	-
Foreign Exchange translation difference	-	-	-	-	-
<b>Total Comprehensive Income for the period</b>	-	(14.06)	-	-	(14.06)
Dividends Paid	-	-	-	-	-
Dividend Distribution Tax	-	-	-	-	-
Balance as at March 31, 2021	-	(76.25)	-	-	(76.25)

As per our Report of even date attached

For and on behalf of Board of Directors

For P. R. KUMAR & Co.  
Chartered Accountants  
Firm Reg. No. 003186N  
(CA Deepak Srivastava)  
Partner  
M. No. 501615



Place : New Delhi  
Date : 22/06/2021

(Sh Yogesh Kumar Misra)  
Chairman  
DIN-07654014  
(Masood Ahmad Najar)  
Chief Executive Officer



(Surajit Dutta)  
Director  
DIN-06687032

(Sanjeev Kumar Gupta)  
Chief Financial Officer

(Iti Matta)  
Company Secretary

## 1. Corporate Information

Ircon Shivpuri Guna Tollway Limited is a wholly owned subsidiary of Ircon International Limited domiciled in India and is incorporated under the provisions of companies Act 2013 applicable in India. The company came into existence when, Ircon International Limited has been awarded the work of 'Four Laning of Shivpuri - Guna Section of NH-3 from km 236.000 to km 332.100 (Stage - 1) in the state of Madhya Pradesh on DBFOT basis in accordance with the terms and conditions in the concession agreement by National Highway Authority of India (NHAI). In pursuance the provisions of 'Request for Proposal', the selected bidder 'Ircon International Limited' has formed a Special Purpose Vehicle (SPV) named Ircon Shivpuri Guna Tollway Limited (IrconSGTL) as wholly owned subsidiary and incorporated under Companies Act, 2013 on 12th May 2015. Accordingly, SPV has signed the Concession Agreement with NHAI on 15th June 2015. The concession period of 20 years commenced on 25th Jan 2016 i.e. Appointed Date notified by the National Highway Authority of India. The registered office of the company located at C-4, District Centre, Saket, and NewDelhi - 110017.

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

## 2. Summary of Significant Policies

### 2.1 Basis of preparation

- i. The financial statements of the company have been prepared in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act, 2013 read together with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the financial statements.
- ii. The financial statements have been prepared on a going concern basis following accrual system of accounting. The company has adopted the historical cost basis for assets and liabilities, except for the following assets and liabilities which have been measured at fair value:
  - Provisions, where the effect of time value of money is material are measured at present value
  - Certain financial assets and liabilities measured at fair value

### 2.2 Current vs non-current classification

- i. The company presents assets and liabilities in the balance sheet based on current/ non-current classification.
- ii. An asset is treated as current when it is:
  - Expected to be realized or intended to be sold or consumed in normal operating cycle
  - Held primarily for the purpose of trading



- Expected to be realized within twelve months after the reporting period,
  - Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period
- iii. The company classifies all other assets as non-current.
- iv. A liability is current when:
- It is expected to be settled in normal operating cycle
  - It is held primarily for the purpose of trading
  - It is due to be settled within twelve months after the reporting period, or
  - There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period
- v. The company classifies all other liabilities as non-current.
- vi. Deferred tax assets and liabilities are classified as non-current assets and liabilities.
- vii. The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The company has identified twelve months as its operating cycle..

### 2.3 Statement of Cash Flow

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

### 2.4. Property, Plant and Equipment

#### i. Recognition and initial measurement

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

#### ***Cost of asset includes***

Purchase price, net of any trade discount and rebates.

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



Freehold land is carried at historical cost.

ii. **Subsequent Measurement**

- Property, Plant and Equipment are subsequently measured at cost net of accumulated depreciation and accumulated losses, if any. Subsequent expenditure is capitalized if it is probable that future economic benefits associated with the expenditure will flow to the company and cost of the expenditure can be measured reliably.
- Cost of replacement, major inspection, repair of significant parts and borrowing costs for long-term construction projects are capitalized if the recognition criteria are met.
- The machinery spares are capitalized if recognition criteria are met.

iii. **Depreciation and Useful lives**

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

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

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

- Each part of an item of Property, Plant and Equipment is depreciated separately if the cost of part is significant in relation to the total cost of the item and useful life of that part is different from the useful life of remaining asset.
- Property Plant and Equipment acquired during the period, individually costing up to Rs. 5000/- are fully depreciated, by keeping Re. 1 as token value for identification. However, Mobile phones provided to employees are charged to statement of profit and loss irrespective of its value.
- Depreciation methods, useful lives and residual values are reviewed at each financial year end and adjusted prospectively, if appropriate. "Ordinarily, the residual value of an asset is up to 5% of the original cost of the asset" as specified in Schedule II of the Companies Act, 2013.

iv. **Derecognition**



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

## 2.5 Capital work in progress

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

## 2.6 Investment Properties

### i. Recognition and Initial Measurement

- Investment Property is recognized when it is probable that future economic benefits associated with the property will flow to the company and the cost of property can be measured reliably.
- Investment property comprises completed property, property under construction and property held under a lease that is held to earn rentals or for capital appreciation or both, rather than for sale in the ordinary course of business or for use in production or administrative functions. Investment properties are measured initially at cost, including transaction costs.
- Cost is the amount of cash or cash equivalents paid or the fair value of other consideration given to acquire an asset at the time of its acquisition or construction or, where applicable, the amount attributed to that asset when initially recognized in accordance with the specific requirements of other Ind AS.

### ii. Subsequent Measurement and Depreciation

- Investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any. Subsequent cost is added if recognition criteria is met. The company depreciates building component of investment property on straight line basis over 60 years from the date of original purchase/ completion of construction. Freehold land and property under construction is not depreciated.
- Leasehold land acquired on perpetual lease is not amortized.
- The residual values, useful lives and methods of depreciation of investment property are reviewed at each financial year-end and adjusted prospectively, if appropriate.
- Though the company measures investment property using cost-based measurement, the fair value of investment property is disclosed in the notes. Fair value determined based on an annual evaluation performed by an accredited external independent valuer applying valuation model acceptable internationally.



iii. Derecognition

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

2.7 Intangible Assets

i. Recognition and Initial Measurement

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

ii. Subsequent Measurement and Amortization

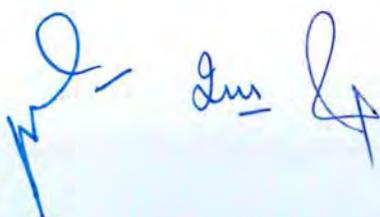
Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Software cost up to Rs. 1 Lakhs in each case is fully amortized in the period of purchase, by keeping Rs. 1 as token value for identification.

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

iii. Derecognition

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

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



- a) In respect of Public to Private Arrangements (PPA), on a Built-Operate-Transfer (BOT) basis, Intangible Assets i.e. Right to collect toll/tariff are recognised when the company has been granted rights to charge a toll/tariff from the users of such public services and such rights do not confer an unconditional right on the Company to receive cash or another Financial Asset and when it is probable that future economic benefits associated with the rights will flow to the company and the cost of the asset can be measured reliably.
- b) The company constructs or upgrades infrastructure (construction or upgrade services) used to provide a public service and operates and maintains that infrastructure (operation services) for a specified period of time. These arrangements may include infrastructure used in a public-to-private service concession arrangement for its entire useful life.
- c) Under the Concession Agreements, where the company has received the right to charge users of the public service, such rights are recognised and classified as "Intangible Assets" in accordance with Appendix C to Ind AS 115 - Service Concession Arrangements.
- d) Such right is not an unconditional right to receive consideration because the amounts are contingent to the extent that the public uses the service and thus are recognised and classified as intangible assets. Such an intangible asset is recognised by the company at cost (which is the fair value of the consideration received or receivable for the construction services delivered) and is capitalized when the project is complete in all respects and when the company receives the completion certificate from the authority as specified in the Concession Agreement.
- e) An asset carried under concession arrangements is derecognised on disposal or when no future economic benefits are expected from its future use or disposal.
- f) Service Concession Arrangements that meet the definition of an Intangible Asset are recognised at cumulative construction cost. Till completion of construction of the project, such arrangements are recognised as "Intangible Assets Under Development" and are recognised at cumulative construction cost.
- g) The estimated useful life of an intangible asset in a service concession arrangement is the period from where the company is able to charge the public for use of infrastructure to the end of the concession period.
- h) Toll collection right is amortized using straight line method on pro-rata basis from the date of addition or from the date when the right brought in to service to the expiry of concession period.
- i) Amortization methods and useful lives are reviewed at each Balance Sheet date, with the effect of change in estimate accounted for on a prospective basis.
- j) The carrying value of intangible asset is reviewed for impairment annually or more often if events or changes in circumstances indicate that the carrying value may not be recoverable.



## 2.8 Cash and cash Equivalent

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

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

## 2.9 Provisions, contingent assets and contingent liabilities

### i. Provisions

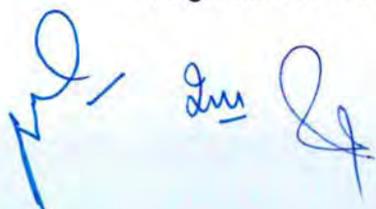
- a) Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, considering the risk and uncertainties surrounding the obligation.
- b) If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.
- c) Provisions recognised by the Company include provisions for Maintenance, Demobilization, Design Guarantee, Legal Cases, Corporate Social Responsibility (CSR), Onerous Contracts and others.

### ii. Onerous contracts

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

### iii. Contingent liabilities

- a) Contingent liabilities are disclosed when there is a possible obligation or present obligations that may but probably will not, require an outflow of resources embodying



economic benefits or the amount of such obligation cannot be measured reliably. When there is possible obligation or a present obligation in respect of which likelihood of outflow of resources embodying economic benefits is remote, no provision or disclosure is made.

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

#### iv. Contingent assets

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

### 2.10 Revenue Recognition

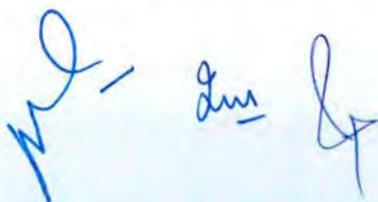
- i. The Company recognizes and measures revenue from construction in accordance with *Ind AS -115* "Revenue from Contracts with Customers".
- ii. Transaction price (it does not involve significant financing component) is the price which is contractually agreed with the customer for provision of services. Revenue is measured at the transaction price that is allocated to the performance obligation and it excludes amounts collected on behalf of third parties i.e GST and is adjusted for variable considerations.
- iii. The nature of Company's contract gives rise to several types of variable consideration including escalation and liquidated damages.
- iv. Any subsequent change in the transaction price is then allocated to the performance obligations in the contract on the same basis as at contract inception.
- v. The Company recognizes revenue for variable consideration when it is probable that a significant reversal in the amount cumulative revenue recognized will not occur. The company estimates the amount of revenue to be recognized on variable consideration using the expected value or most likely amount method.
- vi. Consequently, amounts allocated to a satisfied performance obligation are recognised as revenue, or as a reduction of revenue, in the period in which the transaction price changes.
- vii. The company satisfies a performance obligation and recognizes the revenue overtime, if any of the following criteria is met:
  - The customer simultaneously receives and consumes the benefits provided by the entity's performance as the entity perform.
  - The entity's performance creates or enhances an asset (for example, work in progress) that the customer controls as the asset is created or enhanced or
  - The entity's performance does not create an asset with an alternative use to the entity and the entity has an enforceable right to payment for performance completed to date.



- viii. For performance obligation satisfied over time, the revenue recognition is done by measuring the progress, using percentage completion method, towards complete satisfaction of performance obligation. The progress is measured in terms of a proportion of actual cost incurred to-date, to the total estimated cost attributable to the performance obligation.
- ix. Performance obligation is measured by applying input method. In the contracts where performance obligation cannot be measured by input method, the output method is applied, which faithfully depict the Company's performance towards complete satisfaction of the performance obligation.
- x. Contract modifications are accounted for when additions, deletions or changes are approved either to the contract scope or contract price.
- xi. The accounting for modifications of contracts involves assessing whether the services added to the existing contract are distinct and whether the pricing is at the standalone selling price. Services added that are not distinct are accounted for on a cumulative catch up basis, while those that are distinct are accounted for prospectively, either as a separate contract, if additional services are priced at the standalone selling price, or as a termination of existing contract and creation of a new contract if not priced at the standalone selling price.
- xii. **Contract balances**

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

xiii. **Revenue from toll collection**



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

xiv. **Other income**

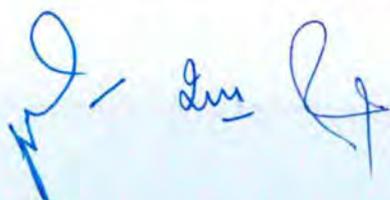
- Dividend income is recognized when the right to receive payment is established.
- Interest income is recognized using Effective Interest rate method.
- Miscellaneous income is recognized when performance obligation is satisfied and right to receive the income is established as per terms of contract.

**2.11 Impairment of non-financial assets**

- At each reporting date, the company assesses, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount and the impairment loss, including impairment on inventories are recognized in the statement of profit and loss.
- In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.
- For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognized impairment losses no longer exist or have decreased. If such indication exists, the company estimates the asset's or CGU's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior period. Such reversal is recognized in the statement of profit and loss.

**2.12 Inventories**

- Inventories (including scrap) are valued at the lower of cost and net realisable value. Cost includes cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on First in First out (FIFO) basis. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.
- Construction work-in-progress is valued at cost till such time the outcome of the job cannot be ascertained reliably and at lower of cost or realizable value thereafter.
- The initial contract expenses on new projects for mobilization are recognized as construction work-in-progress in the year of incidence, and pro rata charged to statement of profit and loss of the project over the period at the same percentage as the stage of



completion of the contract as at the end of reporting period. Site mobilization expenditure to the extent not written off valued at cost.

- iv. In Cost Plus contracts, where the cost of all materials, spares and stores not reimbursable as per the terms of the contract is shown as inventory valued as per (a) above.
- v. Loose tools are expensed in the period of purchase.

### 2.13 Borrowing Cost

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

### 2.14 Employee Benefits

#### i. Short Term Employee Benefits

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

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

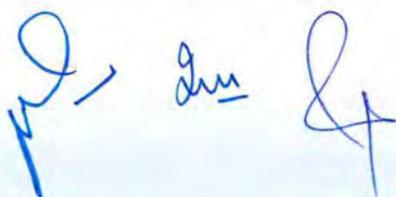
The post employee benefits & other long term Employee Benefits are provided by Iron International Limited, the Holding Company, as the employees are on the deputation from the Holding Company.

### 2.15 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.

#### i. Company as a lessee

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



#### A. Right-of-use assets

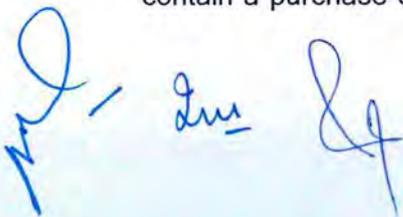
- The company recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities. The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

#### B. Lease liabilities

- At the commencement date of the lease, the company recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the company and payments of penalties for terminating the lease, if the lease term reflects the company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.
- In calculating the present value of lease payments, the company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is re-measured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.
- The company's lease liabilities are included in financial liabilities.

#### C. Short term lease and leases of low value assets

- The company applies the short-term lease recognition exemption to its short-term leases contracts including lease of residential premises and offices (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition



exemption to leases of office equipment that are considered to be low value. The Company further also treats those leases as low value, whose lease term may be over one year, but whose effect of non categorizing them as right to use assets and charging them over the lease term vis-à-vis accounting them as an expense on a year to year basis is not material. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

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

## ii. Company as a lessor

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

## 2.16 Current income tax

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

## 2.17 Deferred tax

- Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.
- Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.



- Deferred tax is recognized in statement of profit and loss except to the extent it relates to items recognised outside profit or loss, in which case is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.
- Deferred income tax asset are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.
- The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

## 2.18 Operating Segment

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

## 2.19 Earnings per Share

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

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

## 2.20 Foreign Currencies

### i. Functional and Presentation Currency

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

### ii. Transactions and Balances

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



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

## 2.21 Fair value measurement

- The company measures financial instruments at fair value at each reporting period.
- Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:
  - In the principal market for the asset or liability, or
  - In the absence of a principal market, in the most advantageous market for the asset or liability the principal or the most advantageous market must be accessible by the company.
- The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.
- A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.
- The company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.
- All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:
  - Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities
  - Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
  - Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable
- For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the



hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

- viii. External valuers are involved for valuation of significant assets and liabilities, if any. At each reporting date, the company analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the company's accounting policies.
- ix. For the purpose of fair value disclosures, the company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.
- x. Above is the summary of accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

## 2.22 Dividend to equity holders

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

## 2.23 Financial instruments

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

### i. Financial assets

#### a) Initial recognition and measurement

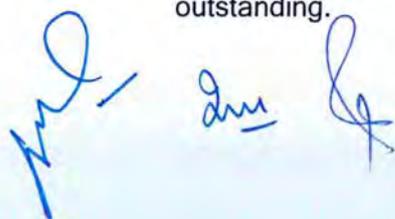
- All Financial assets are recognised initially at fair value plus or minus transaction cost that are directly attributable to the acquisition or issue of financial assets (other than financial assets at fair value through profit and loss). Transaction costs directly attributable to the acquisition of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

#### b) Subsequent measurement

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

#### A. Debt instruments at amortised cost

- A 'debt instrument' is measured at the amortised cost if both the following conditions are met:
  - a. The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
  - b. Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.



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

#### B. Debt instruments at FVTOCI

- A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:
  - a. The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
  - b. Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.
- Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the statement of profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income in statement of profit and loss using the EIR method.

#### C. Debt instruments at FVTPL

- a) FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.
- b) Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

#### D. Equity instruments

- All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading classified as at FVTPL. For all other equity instruments, the company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.
- If the company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to statement of profit and loss, even on sale of investment. However, the company may transfer the cumulative gain or loss within equity.

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

#### E. Impairment of financial assets

- ECL is the difference between all contractual cash flows that are due to the company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR.
- In accordance with Ind AS 109, the company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:
  - a. Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance
  - b. Financial assets that are debt instruments and are measured as at FVTOCI
  - c. Lease receivables under Ind AS 116
  - d. Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115
  - e. Loan commitments which are not measured as at FVTPL
  - f. Financial guarantee contracts which are not measured as at FVTPL
- The company follows 'simplified approach' for recognition of impairment loss allowance on:
  - a. Trade receivables or contract revenue receivables; and
  - b. All lease receivables resulting from transactions within the scope of Ind AS 116
- The application of simplified approach does not require the company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.
- For recognition of impairment loss on other financial assets and risk exposure, the company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.
- Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial asset. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date
- ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss. This amount is reflected under the head 'other expenses' in the statement of profit and loss. The balance sheet presentation for various financial instruments is described below:



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

***F. Derecognition of financial assets***

- a) A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognized only when the contractual rights to the cash flows from the asset expires or it transfers the financial assets and substantially all risks and rewards of the ownership of the asset.
- b) The difference between the carrying amount and the amount of consideration received / receivable is recognised in the statement of profit and loss.

**ii. Financial liabilities**

**a) Initial recognition and measurement**

- All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.
- The company’s financial liabilities include trade and other payables, loans and borrowings, other financial liabilities etc.

**b) Subsequent measurement**

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

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

The company has not designated any financial liabilities at FVTPL.

**b. Financial liabilities at amortized cost**

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#### A. Loans, borrowings, trade payables and other financial liabilities

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

#### B. Derecognition of financial liabilities

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

#### iii. Financial guarantee contracts

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

#### iv. Reclassification of financial assets

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

#### v. Offsetting of financial instruments

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



and settle the liabilities simultaneously.

## 2.24 Non - current asset held for sale

- a) Non-current assets (or disposal groups) are classified as assets held for sale when their carrying amount is to be recovered principally through a sale transaction and a sale is considered highly probable. The sale is considered highly probable only when the asset or disposal group is available for immediate sale in its present condition, it is unlikely that the sale will be withdrawn, and sale is expected within one year from the date of the classification. Disposal groups classified as held for sale are stated at the lower of carrying amount and fair value less costs to sell. Property, plant and equipment, Investment property and intangible assets are not depreciated or amortized once classified as held for sale. Assets classified as held for sale/distribution are presented separately in the balance sheet.
- b) If the criteria stated by IND AS 105 “Non-current Assets Held for Sale” are no longer met, the disposal group ceases to be classified as held for sale. Non-current asset that ceases to be classified as held for sale are measured at the lower of
- i. its carrying amount before the asset was classified as held for sale, adjusted for depreciation that would have been recognized had that asset not been classified as held for sale, and
  - ii. its recoverable amount at the date when the disposal group ceases to be classified as held for sale.

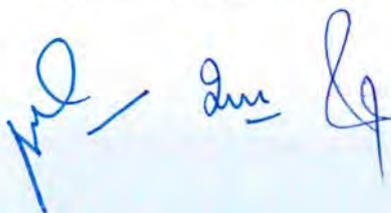
The depreciation reversal adjustment related property, plant and equipment, Investment property and intangible assets is charged to statement of profit and loss in the period when non-current assets held for sale criteria are no longer met.

## 2.25 Prior Period Adjustment

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

## 2.26 Significant accounting estimates and judgments

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



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

**i. Allowances for uncollected trade receivables**

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

**ii. Contingencies**

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

**iii. Impairment of financial assets**

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

**iv. Taxes**

- Uncertainties exist with respect to the interpretation of complex tax regulations, changes in tax laws, and the amount and timing of future taxable income. Given the nature of business differences arising between the actual results and the assumptions made, or future changes to such assumptions, could necessitate future adjustments to tax income and expense already recorded. The company establishes provisions, based on reasonable estimates. The amount of such provisions is based on various factors, such as experience of previous tax audits and differing interpretations of tax regulations by the taxable entity and the responsible tax authority. Such differences of interpretation may arise on a wide variety of issues depending on the conditions prevailing in the respective domicile of the companies.
- Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

**v. Impairment of non-financial assets**



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

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

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

**vii. Leases - Estimating the incremental borrowing rate**

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

**viii. Determining the lease term of contracts with renewal and termination options - company as Lessee**

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

**ix. Revenue recognition**

- The company's revenue recognition policy, which is set out in Note 2.10, is central to how the company values the work it has carried out in each financial year.
- These policies require forecasts to be made of the outcomes of Contracts, which require assessments and judgments to be made on changes in scope of work and claims and variations.
- Estimates are also required with respect to the determination of stage of completion and estimation of project completion date:



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

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



3 Property, Plant and Equipment

(in Rs. crore)

	Plant & Machinery	Computers	Office Equipments	Furniture & Fixtures	Vehicles	Total
<b>Gross Carrying Amount (At Cost)</b>						
<b>At 31 March 2019</b>	-	0.04	0.02	0.03	-	0.09
Additions	-	-	-	-	-	-
Disposals/Adjustments	-	-	-	-	-	-
Exchange (Gain) / Loss	-	-	-	-	-	-
<b>At 31 March 2020</b>	-	0.04	0.02	0.03	-	0.09
<b>At 1 April 2020</b>	-	0.04	0.02	0.03	-	0.09
Additions	-	0.003	0.017	-	-	0.02
Disposals/Adjustments	0.06	0.06	-	-	0.71	0.83
Exchange (Gain) / Loss	-	-	-	-	-	-
<b>At 31 March 2021</b>	<b>0.06</b>	<b>0.10</b>	<b>0.04</b>	<b>0.03</b>	<b>0.71</b>	<b>0.94</b>
<b>Depreciation and impairment</b>						
<b>At 31 March 2019</b>	-	0.02	-	-	-	0.02
Depreciation charge for the year	-	0.010	0.001	0.003	-	0.01
Impairment	-	-	-	-	-	-
Disposals/Adjustments	-	-	-	-	-	-
Exchange (Gain) / Loss	-	-	-	-	-	-
<b>At 31 March 2020</b>	-	0.03	0.001	0.003	-	0.03
<b>At 1 April 2020</b>	-	0.03	0.001	0.003	-	0.03
Depreciation charge for the year	0.01	0.06	0.006	0.003	0.17	0.25
Impairment	-	-	-	-	-	-
Disposals/Adjustments	0.01	0.01	-	-	0.07	0.09
Exchange (Gain) / Loss	-	-	-	-	-	-
<b>At 31 March 2021</b>	<b>0.02</b>	<b>0.10</b>	<b>0.007</b>	<b>0.006</b>	<b>0.24</b>	<b>0.37</b>
<b>Net book value</b>						
<b>At 31 March 2021</b>	<b>0.04</b>	<b>0.00</b>	<b>0.03</b>	<b>0.02</b>	<b>0.47</b>	<b>0.57</b>
<b>At 31 March 2020</b>	-	0.01	0.02	0.03	-	0.06

Notes :- a) The company has reduced the Gross block of Intangible Assets by Rs 83,29,420/- and the corresponding Accumulated Depreciation has been reduced by Rs 8,22,575/- due to wrong classification which has been corrected during the financial year under audit and consequently, Tangible Assets have been increased by Rs 83,29,420/- and Accumulated Depreciation have been increased by Rs 8,22,575/- under respective heads. The depreciation related to Tangible Assets has been calculated on their life as per the estimated provided under the Accounting policies of the company. Additions to Vehicles, Plant and Machinery and Computers worth Rs 6,00,000/- have been reclassified from Intangible assets to Tangible assets during the year, the net depreciation of previous years have been recognised in the current financial year.

b) Out of the Tangible Assets mentioned at (a) above, Vehicles and Plant and Machinery are registered in the name of the Holding Company

Foot Notes:-

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

Description	For the year ended 31st March 2021	For the year ended 31st March 2020
Depreciation on Tangible Assets	0.25	0.02
Impairment Loss	-	-
<b>Total</b>	<b>0.25</b>	<b>0.02</b>



4 Intangible Assets

(in Rs. Crore)

Particulars	Intangible Asset (Toll Road) (Refer Note 24)	Other Intangibles (Software)
<b>Gross Block</b>		
Opening balance at 1 April 2019	726.78	-
Addition during the year	-	-
Capitalisation during the year	-	-
Disposals / adjustment during the year	-	-
Closing balance at 31 March 2020	726.78	-
Addition during the year	-	-
Disposals / adjustment during the year	0.83	-
Closing balance at 31 March 2021	725.95	-
<b>Amortisation and Impairment</b>		
Closing balance at 31 March 2019	34.37	-
Amortisation during the year	41.53	-
Sales / adjustment during the year	-	-
Closing balance at 31 March 2020	75.90	-
Amortisation during the year	41.48	-
Sales / adjustment during the year	0.08	-
Closing balance at 31 March 2021	117.30	-
<b>Net book value</b>		
At 31 March 2021	608.65	-
At 31 March 2020	650.88	-

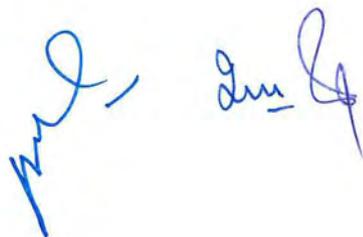





5 Non-Current Assets - Other Financial Assets

(in Rs. Crore)

Particulars	As at 31st March 2021	As at 31st March 2020
<b>a) Considered Good : Unsecured</b>		
Security Deposits		
- Government Departments	-	-
- Others	0.14	0.15
<b>Total - Other Financial Assets</b>	<b>0.14</b>	<b>0.15</b>
<b>b) Considered Doubtful</b>		
<b>Total - Other Financial Assets - Doubtful</b>	<b>-</b>	<b>-</b>
<b>Grand Total - Other Financial Assets</b>	<b>0.14</b>	<b>0.15</b>






6 Deferred Tax Assets and Income Tax  
Disclosure pursuant to Ind AS 12 "Income Taxes"

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

S.No.	Particulars	(Rs. in crore)	
		For the Year ended	
		31 March 2021	31 March 2020
1	<b>Profit and Loss Section</b>		
	Current income tax :		
	Current income tax charge	-	-
	Adjustment in respect of current tax of previous year	-	0.03
	Deferred tax :		
	Relating to origination and reversal of temporary differences	-	0.07
	<b>Income tax expense reported in the Profit and Loss section</b>	-	<b>0.10</b>
2	<b>Other Comprehensive Income (OCI) Section</b>		
	Income tax related to items recognised in OCI during the year:		
	Net loss/(gain) on remeasurements of defined benefit plans	-	-
	Net loss/(gain) on foreign operation translation	-	-
	<b>Income tax expense reported in the OCI section</b>	-	-

(b) Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31st March 2021 and 31st March 2020 :

S.No.	Particulars	(Rs. in crore)	
		For the Year ended	
		31 March 2021	31 March 2020
1	Accounting profit before income tax	(14.07)	(30.73)
2	Corporate tax rate as per Income Tax Act, 1961	25.168%	25.168%
3	Tax on Accounting profit (3) = (1) * (2)	-	-
4	Effect of Tax Adjustments:		
(i)	Adjustments in respect of current income tax of previous years	-	0.03
(ii)	Utilisation of previously unrecognised tax losses	-	-
(iii)	Impact of Rate Difference	-	-
(iv)	Tax on Income exempt from tax	-	-
(v)	Non-deductible expenses for tax purposes:		
	-Other country additional tax	-	-
	-Other non-deductible expenses	-	-
(vi)	Tax effect of various other items	-	0.07
5	<b>Income tax expense reported in the Statement of Profit and Loss</b>	-	<b>0.10</b>
6	Effective Tax Rate	-	-

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

S.No.	Particulars	(Rs. in crore)			
		Balance sheet as at		Statement of profit or loss for the year ended	
		31 March 2021	31 March 2020	31 March 2021	31 March 2020
1	Property, Plant & Equipment (including intangible): Difference in book depreciation and income tax depreciation **	(75.73)	(60.92)	14.81	60.92
2	Provisions	2.63	-	(2.64)	-
3	Others **	73.10	60.92	(12.17)	(60.85)
4	Items disallowed u/s 43B of Income Tax Act, 1961	-	-	-	-
5	Impact of expenditure charged to the statement of profit and loss in the current year and earlier years but allowable for tax purposes on payment basis	-	-	-	-
6	Fair valuation of financial instruments	-	-	-	-
7	Unutilised gain/loss on FVTOCI equity securities and FVTPL Mutual funds	-	-	-	-
	<b>Net deferred tax assets/(liabilities)</b>	<b>(0.00)</b>	-	<b>(0.00)</b>	<b>0.07</b>

\*\* Deferred Tax Assets arising on account of Business losses has been restricted to the Deferred Tax Liability arising from PPE and Intangible Assets as a matter of conservatism. Deferred Tax asset of Rs 16.82 Crores has not been recognised as a matter of prudence, in line with Accounting policy 2.17

(d) Reflected in the balance sheet as follows:

S.No.	Particulars	(Rs. in crore)	
		31 March 2021	31 March 2020
1	Deferred tax assets	75.73	60.92
2	Deferred tax liability	(75.73)	(60.92)
	<b>Deferred Tax Asset/(Liabilities) (Net)</b>	-	-

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

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

As at 31 March 2021					(Rs. in crore)				
S.No.	Particulars	Net balance As at 1st April 2020	Recognised in statement of profit and loss	Recognised in OCI	Net balance As at 31 March, 2021				
1	Property, Plant & Equipment (including intangible): Difference in book depreciation and income tax depreciation	(60.92)	14.81	-	(75.73)				
2	Provisions	-	(2.64)	-	2.64				
3	Others	60.92	(12.17)	-	73.09				
4	Items disallowed u/s 43B of Income Tax Act, 1961	-	-	-	-				
5	Impact of expenditure charged to the statement of profit and loss in the current year and earlier years but allowable for tax purposes on payment basis	-	-	-	-				
6	Fair valuation of financial instruments	-	-	-	-				
7	Unutilised gain/loss on FVTOCI equity securities and FVTPL Mutual funds	-	-	-	-				
	<b>Net deferred tax assets/(liabilities)</b>	-	(0.00)	-	-				

As at 31 March 2020					(Rs. in crore)				
S.No.	Particulars	Net balance As at 1st April 2019	Recognised in statement of profit and loss	Recognised in OCI	Net balance As at 31st March 2020				
1	Property, Plant & Equipment (including intangible): Difference in book depreciation and income tax depreciation	-	60.92	-	(60.92)				
2	Provisions	-	-	-	-				
3	Others	0.07	(60.85)	-	(60.92)				
4	Items disallowed u/s 43B of Income Tax Act, 1961	-	-	-	-				
5	Impact of expenditure charged to the statement of profit and loss in the current year and earlier years but allowable for tax purposes on payment basis	-	-	-	-				
6	Fair valuation of financial instruments	-	-	-	-				
7	Unutilised gain/loss on FVTOCI equity securities and FVTPL Mutual funds	-	-	-	-				
	<b>Net deferred tax assets/(liabilities)</b>	0.07	0.07	-	-				

*Handwritten signatures and initials in blue ink.*



IRCON SHIVPURI GUNA TOLLWAY LIMITED

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



7.1 Current Financial Assets - Trade Receivables

(in Rs. Crore)

Particulars	As at 31st March 2021	As at 31st March 2020
<b>Considered Good : Unsecured</b>		
- Trade receivables (Refer Note 33C)	0.46	0.14
<b>Considered Doubtful</b>		
- Trade receivables	-	-
Less : Impairment allowances for doubtful debts	-	-
<b>Total</b>	<b>0.46</b>	<b>0.14</b>

*[Handwritten signatures]*

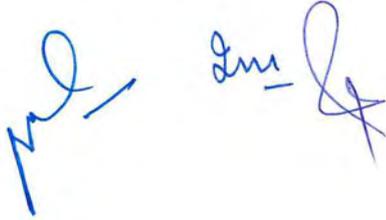


7.2 Current Financial Assets - Cash and Cash equivalents

(in Rs. Crore)

Particulars	As at 31st March 2021	As at 31st March 2020
Cash on hand	-	-
Balances with banks:*		
– On current accounts	0.07	0.02
– Flexi Accounts	6.35	3.30
	<b>6.42</b>	<b>3.32</b>

\* The above balance pertain to ESCROW A/C which are year mark fund as per concession agreement entered with NHAI




IRCON SHIVPURI GUNA TOLLWAY LIMITED



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

7.3 Current Financial Assets - Loans

(in Rs. Crore)

Particulars	As at 31st March 2021	As at 31st March 2020
<b>A. Unsecured, considered good</b>		
Staff Loans & Advances	-	-
<b>Grand Total</b>	-	-

7.4 Current Assets - Other Financial Assets

(in Rs. Crore)

Particulars	As at 31st March 2021	As at 31st March 2020
<b>A. Unsecured, considered good</b>		
Interest Accrued on :		
- Deposits with Banks/Flexi Deposit	0.01	0.01
Other Recoverable	-	0.41
<b>Total - Other Financial Assets - Good</b>	<b>0.01</b>	<b>0.42</b>
<b>B) Considered Doubtful</b>		
Security Deposits		
- Government Departments	-	-
- Others	-	-
Interest Accrued on Advances to Staff	-	-
Earnest Money Deposit	-	-
- Retention Money with client	-	-
- Money Withheld by Client	-	-
Others	-	-
Less : Impairment allowance for doubtful financial assets (others)	-	-
<b>Total - Other Financial Assets - Doubtful</b>	<b>-</b>	<b>-</b>
<b>Grand Total - Other Financial Others</b>	<b>0.01</b>	<b>0.42</b>

Debts due by officers of the company, firms in which any director is a partner or private company in which any director is a member except JVs and Subsidiaries are Rs. Nil (Rs. Nil).

Details of amount due from Directors:

(in Rs. Crore)

Particulars	As at 31st March 2021	As at 31st March 2020
Amount due from directors included in interest accrued on staff loans and advances	-	-
<b>Total</b>		





8 Current Assets - Current Tax Assets (Net)

(in Rs. Crore)

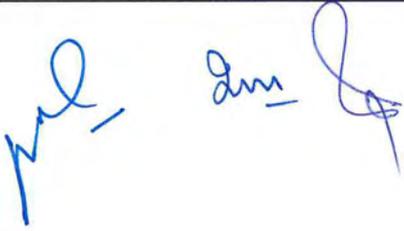
Particulars	As at 31st March 2021	As at 31st March 2020
Taxes Paid including TDS & Advance Tax (Net of Provision for Tax)	0.04	0.75
<b>Current tax Assets (Net)</b>	<b>0.04</b>	<b>0.75</b>



9 Other Current Assets

(in Rs. Crore)

Particulars	As at 31st March 2021	As at 31st March 2020
<b>Considered Good : Unsecured</b>		
Advance Recoverable from:		
- Goods & Services Tax	-	-
Prepaid Expenses	-	0.34
<b>Grand Total</b>	<b>-</b>	<b>0.34</b>




10 Equity Share capital

(in Rs. crore)

Particulars	As at 31st March	As at 31st March
	2021	2020
<b>Authorised share capital</b>		
15,00,00,000 Equity shares of Rs.10 each	150.00	150.00
	<u>150.00</u>	<u>150.00</u>
<b>Issued/Subscribed and Paid up Capital</b>		
15,00,00,000 Equity shares of Rs 10 each-fully paid	150.00	150.00
	<u>150.00</u>	<u>150.00</u>

**Details of shareholders holding in the company**

Name of the shareholder	As at 31st March 2021		As at 31st March 2020	
	No. of Share	% holding in the class	No. of Share	% holding in the class
Ircon International Limited- Holding Company ( IRCON)	150,000,000	100.00	150,000,000	100.00
<b>Total</b>	<b>150,000,000</b>	<b>100.00</b>	<b>150,000,000</b>	<b>100.00</b>

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

Particulars	As at 31st March 2021		As at 31st March 2020	
	No of shares	Rs in crore	No of shares	Rs in crore
Issued/Subscribed and Paid up equity Capital outstanding at the beginning of the year	150,000,000	150.00	150,000,000	150.00
Add: Shares Issued during the year	-	-	-	-
Less: Shares Buy Back during the year	-	-	-	-
Issued/Subscribed and Paid up equity Capital outstanding at the end of the year	<b>150,000,000</b>	<b>150.00</b>	<b>150,000,000</b>	<b>150.00</b>



IRCON SHIVPURI GUNA TOLLWAY LIMITED

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



11 Other Equity

(in Rs. Crore)

Particulars	As at 31st March 2021	As at 31st March 2020
<b>Other Reserves</b>		
Retained Earnings	(76.25)	(62.19)
<b>Total</b>	<b>(76.25)</b>	<b>(62.19)</b>

Movement as per below:

<b>Retained Earnings</b>		
Opening Balance	(62.19)	(31.36)
Add: Transfer from surplus in statement of profit and loss	(14.06)	(30.83)
<b>Closing Balance</b>	<b>(76.25)</b>	<b>(62.19)</b>

Nature and Purpose of Other Reserves:

**Retained Earnings**

Retained Earnings represents the undistributed profits of the Company.



IRCON SHIVPURI GUNA TOLLWAY LIMITED

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



12 Non-Current Liabilities - Financial Liabilities

12.1 Non-Current Financial Liabilities - Borrowings

Particulars	(in Rs. Crore)	(in Rs. Crore)
	As at 31st March 2021	As at 31st March 2020
<b>Secured:</b>		
(a) Loan from Holding Company(Ircon International Limited) (Refer note below and Note 14.2)	490.07	540.87
	-	-
<b>Total</b>	<b>490.07</b>	<b>540.87</b>

**Notes :**

(a) **Terms & Conditions**

i) A Term Loan of Rs. 722.11 crore has been sanctioned from the its holding company Ircon International Limited for meeting the total project cost as per the terms and condition of the agreement, out of which Rs.579.59 crore has been disbursed by Ircon International Limited up to 31st March 2021 and Rs 53.59 Crores has been repaid upto up to 31st March 2021. Out of outstanding balance of Rs 526.00 Crores, Rs 490.07 Crore is classified above and Rs 35.93 under Current Maturity of Long term borrowings (Current Liabilities - Other Financial Liabilities , Note 14.2)

ii) **Interest Terms**

The Applicable Interest rate is base rate of SBI 1 Year MCLR plus spread of 0.5% w.e.f 01.04.2020.

iii) **Terms of Repayment**

Term Loan shall be repaid in 12.5 years starting from the expiry of 12 months from COD.

iv) **Terms of security for loan are as follows:**

(i) a first priority mortgage/ charge over all borrowers immovable properties, and hypothecation of movable properties (including but not limited to all current/non current assets) both present and future.

(ii) a first priority charge over all fees. Revenues and Receivables of the borrower form the project assets or otherwise.

(iii) a first priority charge over assignment of all project agreements. all guarantees, performance guarantees or bonds, letter of credit that may be provided by any party to any project agreement in favour of the borrower and clearance and all rights titles, approvals, permits, clearances and interest and the borrower right, title, interest, benefit and claim in, to or under the project agreement and clearance.

(iv) a first priority charge over assignment of all the borrowers right, title interest, benefit and claim of the borrower in, to or under the insurance contracts, insurance policies and the insurance proceeds.

(v) a first priority/ charge/ assignment of all the intangible assets of the borrower including but not limited to goodwill. undertakings and uncalled capital both present and future

(vi) a first priority charge over all bank accounts of the borrower including without limitation, the escrow accounts (or any account in substitution thereof) and all funds from time to time deposited therein and in all permitted investments or other securities representing all amounts credited to escrow account, provided that the above (i) to (v) will exclude projects assets.



13 Provisions		(in Rs. crore)		
Particulars	Foot Note	As at 31st March 2021	As at 31st March 2020	
Provision for scheduled major maintenance of Toll Road	13.1	10.47	-	
<b>Total</b>		<b>10.47</b>	<b>-</b>	
Non Current		10.47	-	

The disclosure of provisions movement as required under the requirements of Ind AS 37 is as follows :

13.1 Other Provisions :

13.1 Other Provisions :						(in Rs. crore)
Particulars	Demobilisation	Corporate Social Responsibility	Maintenance	Other Expenses	Total	
<b>As at 01-April-2019</b>	-	-	-	-	-	
Non Current	-	-	-	-	-	
Provision made during the year	-	-	-	-	-	
Less: Utilization during the year	-	-	-	-	-	
Less: Write Back during the year	-	-	-	-	-	
<b>As at 01-April-2020</b>	-	-	-	-	-	
Non Current	-	-	-	-	-	
Provision made during the year for scheduled major maintenance^^	-	-	10.47	-	10.47	
Less: Utilization during the year	-	-	-	-	-	
Less: Write Back during the year	-	-	-	-	-	
<b>As at 31-March-2021</b>	-	-	<b>10.47</b>	-	<b>10.47</b>	
Non Current	-	-	10.47	-	10.47	

^^ Provision for major maintenance has been provided in line with Maintenance Manual for operating of Toll Road.



IRCON SHIVPURI GUNA TOLLWAY LIMITED

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



14 Current Liabilities - Financial Liabilities

14.1 Current Financial Liabilities - Trade Payables

(in Rs. Crore)

Particulars	As at 31st March 2021	As at 31st March 2020
Micro, Small & Medium Enterprises	-	-
Other than Micro, Small & Medium Enterprises		
(a) Contractor & Suppliers	0.29	-
(b) Related Parties	0.17	1.08
<b>Total</b>	<b>0.46</b>	<b>1.08</b>

Notes:

- a) Disclosures as required under Companies Act, 2013 / Micro, Small and Medium Enterprises Development Act, 2006  
 b) Terms and Conditions and other balances with related parties are disclosed in Note 23.



**IRCON SHIVPURI GUNA TOLLWAY LIMITED**

**Notes to Financial Statements for the year ended 31st March 2021**



**14.2 Current Liabilities - Other Financial Liabilities**

(in Rs. crore)

Particulars	As at 31st March 2021	As at 31st March 2020
Current Maturity of Long term Borrowings ( Refer note no. 12.1)	35.93	23.28
Deposits, Retention money and Money Withheld	0.65	0.47
Amount Payable to Client	1.74	-
Other Payables (including Staff Payable)	2.74	1.88
<b>Total</b>	<b>41.06</b>	<b>25.63</b>

**15 Other Current Liabilities**

(in Rs. crore)

Particulars	As at 31st March 2021	As at 31st March 2020
Statutory dues	0.48	0.67
<b>Total</b>	<b>0.48</b>	<b>0.67</b>

**Notes:**

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



16 Revenue from operations

(in Rs. crore)

	For the year ended 31st March 2021	For the year ended 31st March 2020
Revenue from Toll Operations (Refer Note 24 & 33)	110.43	94.17
- Other Operating Revenue	0.35	0.27
<b>Total</b>	<b>110.78</b>	<b>94.44</b>

17 Other Income

	For the year ended 31st March 2021	For the year ended 31st March 2020
<b>Interest Income :</b>		
Interest on refund of income-tax	0.06	0.14
Interest on other advances/Security Deposits	-	-
Bank Interest Gross	0.28	0.29
	<u>-</u>	<u>-</u>
	0.28	0.29
<b>Others :</b>		
Miscellaneous Income	0.04	0.01
<b>Total</b>	<b>0.38</b>	<b>0.44</b>





18 Project and Other Expenses

(in Rs. crore)

Particulars	Project Expenses		Other Expenses	
	For the year ended 31st March 2021	For the year ended 31st March 2020	For the year ended 31st March 2021	For the year ended 31st March 2020
Work Expenses	-	(0.17)	-	-
Concession fees to NHAI	20.72	20.80	-	-
Toll operation and maintenance expenses	7.20	7.17	-	-
Inspection, Geo Technical Investigation & Survey Exp. Etc.	0.33	0.75	-	-
Interest and Penalty on VAT	-	0.002	-	-
Hire charges of machinery	-	-	-	-
Exchange Fluctuation Loss	-	-	-	-
Less:- Exchange Fluctuation Gain	-	-	-	-
Net Exchange Fluctuation Loss	-	-	-	-
Rent - Non-residential	0.03	0.04	-	-
Rates and Taxes	-	-	-	-
Vehicle Operation and Maintenance	-	-	-	-
Repairs and Maintenance	-	-	-	-
- Building	-	-	-	-
- Office and Others	0.03	0.01	-	-
Power, Electricity and Water charges	0.71	0.70	-	-
Insurance	0.34	0.13	-	-
Travelling & conveyance	-	0.02	-	-
Printing & stationery	-	0.01	-	-
Postage, telephone & telex	-	-	-	-
Legal & Professional charges	0.10	0.11	0.01	-
Security services	-	-	-	-
Business promotion	-	-	-	-
Write-off of :	-	-	-	-
- Bad debts	-	-	-	-
- Bad advances	-	-	-	-
- Bad assets	-	-	-	-
Loss on sale of Assets/Stores	-	-	-	-
Amortisation of premium paid on Invest.	-	-	-	-
Director sitting fee	-	-	-	-
Donation	-	-	-	-
Auditors remuneration (Refer Note Below)	-	-	0.02	0.02
Advertisement & publicity	-	-	0.05	0.02
Bank Charges and Other financial charges	-	-	0.07	0.03
Training & Recruitment	-	-	-	-
Research & Development Expenses	-	-	-	-
Sustainable Development	-	-	-	-
Corporate social responsibility (Refer Note 36)	-	-	-	-
Miscellaneous expenses	0.18	0.01	-	-
Corporate Overheads	-	-	-	-
Provisions (Addition - Write Back) (Refer Note 13)- For Major repair and maintenance	10.47	-	-	-
<b>Total</b>	<b>40.11</b>	<b>29.58</b>	<b>0.15</b>	<b>0.07</b>

(i) **Payment to Statutory Auditors:**

Particulars	For the year ended 31st March 2021	For the year ended 31st March 2020
(a) Audit Fee - current year	0.015	0.014
(b) Tax Audit Fees - current year	0.005	0.004
(c) Fee for quarterly limited review	0.005	-
(c) Certification Fees	-	-
(d) Travelling & out of pocket expenses:	-	-
- Travelling Expenses	-	-
- Out of Pocket Expenses	-	-
<b>Total</b>	<b>0.02</b>	<b>0.02</b>





19 Employee Remuneration and Benefits (Refer Note 27)

Particulars	Foot Note	For the year ended 31st March 2021			For the year ended 31st March 2020		
		Operating	Other (Administrative)	Total	Operating	Other (Administrative)	Total
Salaries, wages and bonus		1.32	0.12	1.44	1.23	0.12	1.35
Contribution to provident and other funds		0.18	-	0.18	0.16	-	0.16
Retirement Benefits		0.10	-	0.10	0.09	-	0.09
<b>Total</b>		<b>1.60</b>	<b>0.12</b>	<b>1.72</b>	<b>1.48</b>	<b>0.12</b>	<b>1.60</b>

20 Finance Cost

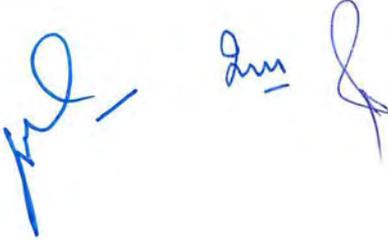
(in Rs. crore)

Particulars	Foot Note	For the year ended 31st March 2021	For the year ended 31st March 2020
Interest Expense		-	52.81
<b>Total</b>		<b>41.51</b>	<b>52.81</b>

21 Depreciation, amortization and impairment

(in Rs. crore)

Particulars	For the year ended 31st March 2021	For the year ended 31st March 2020
Property, Plant and equipment	0.25	0.02
Intangible Assets	41.48	41.53
<b>Total</b>	<b>41.73</b>	<b>41.55</b>






Note:-22

A. Fair Value Measurements

(i) Category wise classification of Financial Instruments

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

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
- Level 3: Unobservable inputs for the asset or liability

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

Particulars	Carrying Value	Fair Value		
		Level 1	Level 2	Level 3
(in Rs. crore)				
<b>Financial Assets at Fair Value Through Profit and Loss (FVTPL)</b>				
Investment in Mutual Funds	-	-	-	-
<b>Total</b>	-	-	-	-
<b>Financial Assets at Amortized Cost</b>				
(i) Investments	-	-	-	-
(ii) Loans	-	-	-	-
(iii) Other Financial Assets	0.15	-	-	-
<b>Total</b>	0.15	-	-	-

Particulars	Carrying Value	Fair Value		
		Level 1	Level 2	Level 3
(in Rs. crore)				
<b>Financial Liabilities at Amortized Cost</b>				
(i) Borrowings	526.00	-	-	-
(ii) Other Financial Liabilities	5.13	-	-	-
<b>Total</b>	531.13	-	-	-

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

Particulars	Carrying Value	Fair Value		
		Level 1	Level 2	Level 3
(in Rs. crore)				
<b>Financial Assets at Fair Value Through Profit and Loss (FVTPL)</b>				
Investment in Mutual Funds	-	-	-	-
<b>Total</b>	-	-	-	-
<b>Financial Assets at Amortized Cost</b>				
(i) Investments	-	-	-	-
(ii) Loans	0.00	-	-	-
(iii) Other Financial Assets	0.57	-	-	-
<b>Total</b>	0.57	-	-	-

Particulars	Carrying Value	Fair Value		
		Level 1	Level 2	Level 3
(in Rs. crore)				
<b>Financial Liabilities at Amortized Cost</b>				
(i) Borrowings	564.15	-	-	-
(ii) Other Financial Liabilities	2.35	-	-	-
<b>Total</b>	566.50	-	-	-

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

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

- i) The fair value of investments in mutual fund units is based on the Net Asset Value (NAV) as stated by the issuers of these mutual fund units in the published statements as at Balance Sheet date. NAV represents the price at which the issuer will issue further units of mutual fund and the price at which issuers will redeem such units from the investors.
- ii) The carrying amount of financial assets and financial liabilities measured at amortized cost in these financial statements are at reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.
- iii) The carrying amounts of current financial assets and current financial liabilities approximate their fair value mainly due to their short term nature.

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

B. Financial Risk Management

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

a) Market Risk

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

(i) Foreign Currency Risk

The company operates domestically and is exposed to insignificant foreign currency risk (since receipts & payments are received in Indian Rupees).

(ii) Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instruments will fluctuate because of change in market interest rate. The company manages its interest risk in accordance with the companies policies and risk objective. Financial instruments affected by interest rate risk includes deposits with banks. Interest rate risk on these financial instruments are very low as interest rate is fix for the period of financial instruments. The Company has a floating interest rate bearing loan the interest sensitivity @ 50 basis points of the same is given below.

Particulars	31st March 2021		31st March 2020	
	Pre Tax	Post Tax	Pre Tax	Post Tax
Interest rates- Increase by 50 basis points (50 bps)	2.63	1.97	2.82	2.11
Interest rates- Decrease by 50 basis points (50 bps)	(2.63)	(1.97)	(2.82)	(2.11)



**b) Credit Risk**

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investment. Credit risk arises from cash held with banks and financial institutions, as well as credit exposure to clients, including outstanding accounts receivable. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. currently company has dealt with NHAI (National Highway Authority of India) only therefore company have minimal credit risk.

**Trade and other receivable**

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

The following table gives details in respect of revenues generated from top three revenue segments of construction revenue, construction under SCA and Toll receipts

Particulars	(in Rs. crore)	
	For the year ended	31st March 2020
	31st March 2021	31st March 2020
Revenue from the Top three revenue streams	110.79	94.44
	110.79	94.44

**Exposure to Credit Risk**

Particulars	(in Rs. crore)	
	As at 31st March 2021	As at 31st March 2020
<b>Financial Assets for which allowance is measured using Lifetime Expected Credit Losses (LECL)</b>		
Non Current Investments	-	-
Non Current Loans	-	-
Other Non Current Financial Assets	0.14	0.15
Current Investments	-	-
Cash and Cash Equivalents	6.42	3.32
Other Bank Balances	-	-
Current Loans	0.00	0.00
Other Current Financial Assets	0.01	0.42
<b>Financial Assets for which allowance is measured using Simplified Approach</b>		
Trade Receivables	0.46	0.14
Contract Assets	-	-

**Summary of change in loss allowances measured using Simplified approach**

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

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

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

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

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

**c) Liquidity risk**

The Company manages liquidity risk by maintaining sufficient cash and marketable securities and by having access to funding through an adequate amount of committed credit lines. The treasury department regularly monitors the position of Cash and Cash Equivalents vis-à-vis projections. Assessment of maturity profiles of financial assets and financial liabilities and maintenance of Balance Sheet liquidity ratios are considered while reviewing the liquidity position. The Company's investment policy and strategy are focused on preservation of capital and supporting the Company's liquidity requirements. The senior Management of the Company oversees its investment strategy and achieve its investment objectives. The Company typically invests in government of India debt bonds and mutual funds. The policy requires investments generally to be investment grade, with the primary objective of minimising the potential risk of principal loss.

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

Particulars	(in Rs. crore)		
	As on 31st March 2021		
	Less than 1 Year	1-2 years	2 Years and above
Borrowings	35.93	60.36	429.71
Trade payables	0.46	-	-
Other financial liabilities	5.13	-	-

Particulars	(Rs. In crore)		
	As on 31st March 2020		
	Less than 1 Year	1-2 years	2 Years and above
Borrowings	23.28	35.93	504.94
Trade payables	1.08	-	-
Other financial liabilities	2.35	-	-

**d) Excessive risk concentration**

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

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

**C. Capital Management**

The objective of the Company is to manage its capital in a manner to ensure and safeguard their ability to continue as a going concern so that company can continue to provide maximum returns to share holders and benefit to other stakeholders. Further, company manages its capital structure to make adjustments in the light of changes in economic conditions and requirements of the financial covenants. Company has taken a term loan Rs 579.59 crore (Sanction Rs.722.11 crore) upto the FY 2019-20 ( Outstanding as on 31.3.2021 Rs 526.00 Crore) from its holding company to finance its project.

**Debt Equity Ratio :-**

Particulars	(in Rs. crore)	
	As at 31st March 2021	As at 31st March 2020
Borrowings (Note No. 12.1 & 14.2)	526.00	594.15
Long Term Debt	526.00	594.15
Equity (Note No. 10)	150.00	150.00
Other Equity (Note No. 11)	(76.25)	(62.19)
<b>Total Equity</b>	<b>73.75</b>	<b>87.81</b>
<b>Debt Equity Ratio</b>	<b>7.13</b>	<b>6.42</b>



Ircon Shivpuri Guna Tollway Limited  
Notes to Financial Statements for the year ended 31st March 2021

Note:- 23 Details of Related Party Transactions during the year

(Amt in INR)

Name of Related Party	Particular	Transaction (Rs.)		Outstanding Amount	
		For the year ended 31st March 2021	For the year ended 31st March 2020	As at 31st March 2021	As at 31st March 2020
Ircon International Limited	Investment in Equity	-	-	1,500,000,000	1,500,000,000
	Loans	(381,500,000)	(154,400,000)	5,260,000,000	5,641,500,000
	Other Payables	(9,083,776)	(178,900,000)	1,735,193	10,818,969
	<u>Rendering of services</u>				
	Rent Excluding GST as expense	231,660	231,660		
	Interest on Loan as an expense	415,069,035	528,105,265		



**Iron Shivpuri Guna Tollway Limited**  
**Notes to Financial Statements for the year ended 31st March 2021**

**Note:- 23 Related Party Transactions**  
 Disclosures in compliance with Ind AS 24 "Related Party Disclosures" are as under:

**a) List of Related Parties**

(i) **Holding Company**  
 Iron International Limited 100% Subsidiary

(ii) **Key Management Personnel (KMP)**

**Board of Directors**

Name	Designation
Shri Yogesh Kumar Mishra	Chairman w.e.f 13.05.2021
Shri Shyam Lal Gupta	Chairman upto 13.05.2021
Shri A K Goyal	Director
Shri R S Yadav	Director upto 31.10.2020
Shri Surajit Dutta	Director
Shri D K Sharma	Director

**Other Members identified as Key Management Personnel ( KMP)**

Name	Designation
Shri Masood Ahmad Najar	Chief Executive Officer
Shri Sanjeev Kumar Gupta	Chief Financial Officer

**Company Secretary**

Name	Designation
Ms Iiti Matta	Company Secretary w.e.f 24.09.2020
Ms. Sakshi Mehta	Company Secretary upto 21.08.2020



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

(Rs. in crore)

S.No.	Particulars	For the year ended 31st March 2021	For the year ended 31st March 2020
1	Short term employee benefits	0.65	0.53
2	Post employment benefits	0.10	0.09
3	Other long-term employee benefits	0.02	0.01
4	Termination benefits		
5	Sitting fees		
	<b>Total</b>	<b>0.76</b>	<b>0.63</b>

Transactions with related parties are as follows:

(Rs. In crore)

S.No.	Nature of transaction	Name of related party	Nature of relationship	For the year ended 31st March 2021	For the year ended 31st March 2020
1	Sale of goods and services				
1.1	Contract Revenue	Ircon International Limited	Holding Company	-	-
1.2	Rent Income	Ircon International Limited	Holding Company	-	-
2	Purchase of goods and services	Ircon International Limited Work Expenses	Holding Company	-	-
3	Reimbursement of Deputation Staff Expenses, Rent & Other Misc. Expenses (Income)	Ircon International Limited	Holding Company		
				0.02	0.02
4	Interest Expense				
4.1	Interest Expense on Loan	Ircon International Limited	Holding Company	41.51	52.81
5	Repayment of Loans	Ircon International Limited	Holding Company	38.15	15.44
6	Advances/ Loans Received	Ircon International Limited	Holding Company	-	18.00
7	Any Other transaction not covered above	Ircon International Limited	Holding Company	-	-

*[Handwritten signatures]*



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

(Rs. in crore)

S.No.	Nature of transaction	Name of related party	Nature of relationship	As at 31st March, 2021	As at 31st March, 2020
1	Equity Received ( Liability)	Ircon International Limited	Holding Company	150.00	150.00
2	Borrowings	Ircon International Limited	Holding Company	526.00	564.15
3	Amount Payable towards				
3.1	Trade Payables	Ircon International Limited	Holding Company	-	0.97
3.2	Other Payables	Ircon International Limited	Holding Company	0.17	0.11

d) Terms and conditions of transactions with related parties

- (i) Transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions.
- (ii) Outstanding balances of related parties at the year-end except borrowings are unsecured and settlement occurs through banking transactions. These balances other than loans and interest bearing advances are interest free.
- (iii) Outstanding balances of related parties at the year-end except borrowings are unsecured and settlement occurs through banking transactions. These balances other than loans and interest bearing advances are interest free.
- (iv) The Company has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.
- (v) IrconSGTL had five Part-time Directors during the financial year 2020-21, nominated on the Board by the holding company, do not draw any remuneration from the Company. No sitting fee is paid to the Part-time Directors.



**Iron Shivpuri Guna Tollway Limited**  
**Notes to Financial Statements for the year ended 31st March 2021**

**Note:-24 Service Concession Arrangements (SCA)**

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

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

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

These intangible assets are initially recognized at cost, which is understood as the fair value of the service provided plus other direct costs directly attributable to the operation. They are then amortized over the term of the concession.

Iron Shivpuri Guna Tollway Limited (IronSGTL) (the operator) has entered into a service concession arrangement with National Highway Authority of India (NHAI) dated 15th June 2015 in terms of which NHAI (the grantor) has authorized the company to develop, finance, design, engineer, procure, construct, operate and maintain the Project of four laning of Shivpuri Guna Section and to exercise and/or enjoy the rights, powers, benefits, privileges authorizations and entitlements upon its completion. In terms of the said agreement Iron Shivpuri Guna Tollway Limited has an obligation to complete construction of the project of four laning of Shivpuri Guna section and to keep the project assets in proper working condition including all projects assets whose lives have expired.

The Concession period shall be 20 years commencing from the appointment 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 IronSGTL have right to terminate the agreement if they are not able to cure the event of default in accordance with such agreement.

The Company recognizes revenue and cost in accordance with Ind AS 115 by reference to the construction's stage of completion. The Company measures contract revenue at the fair value of the consideration receivable. During the arrangement's construction phase, the Company's assets of 726.78 crores (representing its accumulating right to be paid for providing construction services) is classified as an intangible assets (license to charge user of the infrastructure), which was completed in 2018-19. *The Company has recognized nil profit on construction of intangible assets under service concession arrangement. The Revenue recognized in relation to construction of intangible assets under service concession arrangement represents the fair value of services provided towards construction of intangible assets under service concession arrangement.* The operation of toll road has commenced from 7th June 2018 and the company has recognised usage fee as revenue of Rs. 110.43 Crores from operation of toll roads for the year ended 31.03.2021.

Concession fee and its premium is seen as being paid for earning the revenue and is treated as a charge against revenue. During the year concession fees of Rs 20.72 Crores ( Rs 20.80 Crores) to NHAI has been paid as per terms of the concession agreement . Usage fee collected over and above the traffic cap as per the concession agreement is termed as excess fee. This SCA is due to be renegotiated as per clause number 28 and 29 of the concessionaire agreement.

**Construction Contracts**

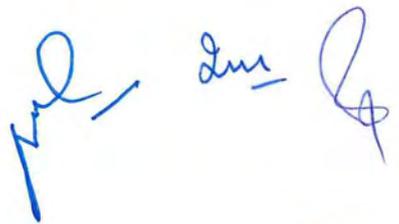
In terms of the disclosure required in Ind AS -115 "Revenue from Contract with Customers" , the amount considered in the financial statements up to the balance sheet date are as follows:-

Particulars	Amount in Rs Crores	
	As at 31st March 2021	As at 31st March 2020
Revenue recognized from construction services	-	-
Revenue recognised from toll-Usage fee	110.43	94.17
Aggregate amount of cost incurred and recognized in Profit/Loss	-	-
Gross amount due from Client for Contract Works	-	-



**Ircon Shivpuri Guna Tollway Limited**  
**Notes to Financial Statements for the year ended 31st March 2021**

- Note:- 25 Disclosure as required by Ind AS 1 "Presentation of Financial Statements"**  
There has been no change in the significant accounting policies in the current financial year in comparison with last year.
- Note:- 26 Disclosure as required by Ind AS 8 "Accounting Policies, Changes in Accounting Estimates and Errors"**  
There has been no change in the accounting estimates or policies in the current financial year, and hence there is no financial impact of the same .



**Ircon Shivpuri Guna Tollway Limited**  
**Notes to Financial Statements for the year ended 31st March 2021**

**Note:- 27 Employee Benefits**

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

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

**Note:- 28 Foreign exchange recognised in the Statement of Profit and Loss:**  
NIL



The image shows three handwritten signatures in blue ink. Below the signatures are two circular official stamps. The first stamp is purple and contains the text "P. R. KUMAR & CO." and "CHARTERED ACCOUNTANTS". The second stamp is blue and contains the text "IRCON SHIVPURI GUNA TOLLWAY LIMITED" and "CIN-145400DL2015601280017".

**Note:- 29 Earnings Per Share**

Disclosure as per Ind AS 33 'Earnings per share'

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

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

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

Particulars	Note	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Profit attributable to Equity holders (Rs. in crore)	(ii)	(14.06)	(30.83)
Weighted average number of equity shares for Basic and Diluted EPS	(iii)	15.00	15.00
Earnings per share (Basic)		(0.94)	(2.06)
Earnings per share (Diluted)		(0.94)	(2.06)
Face value per share		10.00	10.00

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

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Profit for the year as per Statement of Profit and Loss	(14.06)	(30.83)
Profit attributable to Equity holders of the company used for computing EPS:	<b>(14.06)</b>	<b>(30.83)</b>

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

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Opening balance of issued equity shares	15	15
Equity shares issued during the year	0	0
<b>Weighted average number of equity shares for computing Basic EPS</b>	<b>15</b>	<b>15</b>
<b>Dilution Effect:</b>		
Add: Weighted average numbers of potential equity shares outstanding during the year	0	0
<b>Weighted average number of equity shares for computing Diluted EPS</b>	<b>15</b>	<b>15</b>

**Note:- 30 Impairment of Assets**

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

**Note:- 31 Provisions, Contingencies and Commitments**

**(i) Provisions**

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

**(ii) Contingent Liabilities**

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

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

**(iii) Commitments**

Particulars	Foot Note	As at 31st March 2021	As at 31st March 2020
a) <b>Capital Commitments</b>			
Estimated amount of contracts remaining to be executed on capital account (net of advance) and not provided for:	1	112.12	112.12
b) <b>Other Commitments</b>			
(i) Concessional fees payable to NHAI till end of Concessionaire period of the Toll Road ( refer Note 24 SCA)		505.88	526.60
		<b>618.00</b>	<b>638.72</b>

Foot Note:

S.No	Capital Commitments	As at 31st March 2021	As at 31st March 2020
1	Estimated amount of contracts remaining to be executed on Property, Plant and Equipment		
2	Estimated amount of contracts remaining to be executed on Investment Property		
3	Estimated amount of contracts remaining to be executed on Intangible Assets under development	112.12	112.12
	<b>Total</b>	<b>112.12</b>	<b>112.12</b>



Note:- 32 Segment Reporting

The Company is operating in only one operating Segment and hence disclosure as per Ind As 108 " Operating Segment" is not applicable



Note- 33 Revenue from contract with customers

A. Disaggregation of Revenue

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

(Rs. in crore)

Type of Product or Services	For the year ended March 31, 2021						
	Revenue as per Ind AS 115			Method for measuring performance obligation		Other Revenue	Total as per Statement of Profit and Loss / Segment Reporting
	Domestic		Total	Input Method	Output Method		
Railways			-				-
Highway	110.43		110.43	110.43		0.35	110.78
Electrical			-				-
Building			-				-
Others			-				-
<b>Total</b>	<b>110.43</b>	<b>-</b>	<b>110.43</b>	<b>110.43</b>	<b>-</b>	<b>0.35</b>	<b>110.78</b>

Out of the total revenue recognised under Ind AS 115 during the year, Rs NIL is recognised over a period of time and Rs. 110.78 crore recognised point in time.

(Rs. in crore)

Type of Product or Services	For the year ended March 31, 2020						
	Revenue as per Ind AS 115			Method for measuring performance obligation		Other Revenue	Total as per Statement of Profit and Loss / Segment Reporting
	Domestic		Total	Input Method	Output Method		
Railways			-				-
Highway	94.44		94.44	94.44			94.44
Electrical			-				-
Building			-				-
Others			-				-
<b>Total</b>	<b>94.44</b>	<b>-</b>	<b>94.44</b>	<b>94.44</b>	<b>-</b>	<b>-</b>	<b>94.44</b>

Out of the total revenue recognised under Ind AS 115 during the year, Rs NIL is recognised over a period of time and Rs. 94.44 crore recognised point in time.

B. Revenue from Monthly passes issued for Toll to Vehicles are issued as per requirement of the customers, the entire amount of which is booked as revenue on the date of such transaction. Such monthly passes are non refundable in nature.

C. Contract balances

(Rs. in crore)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Trade Receivables (Note 7.1)	0.46	0.14
Contract Assets	-	-
Contract Liabilities	-	-

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

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

Movement in contract balances during the year (Rs. in crore)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Contract asset at the Beginning of the year	-	-
Contract asset at the end of the year	-	-
<b>Net increase/decrease</b>	<b>-</b>	<b>-</b>

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

(Rs. in crore)

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

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

(Rs. in crore)

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

E. Performance obligation

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

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

(Rs. in crore)

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

*[Handwritten signatures]*



Note:- 34 Leases

a) Company as a Lessee

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

Right of Use Assets

The carrying amounts of right-of-use assets recognised and the movements during the year is Nil.

Lease Liabilities

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

(Rs. in crore)	
As at 31st March, 2021	
Balance at April 1, 2019	0.00
Addition	-
Accretion of interest	-
Payments	-
<b>Balance at March 31, 2020</b>	<b>0.00</b>
Current	-
Non-current	-

Amounts recognised in Statement of Profit and Loss

	(Rs. in crore)	
	For the year ended 31st March 2021	For the year ended 31st March 2020
Depreciation expense of right-of-use assets	-	-
Interest expense on lease liabilities	-	-
Expense relating to short-term and low value leases (Refer Note 18)	0.03	0.04
	<b>0.03</b>	<b>0.04</b>

b) Company as a Lessor

The Company has given a demarcated area adjacent to the Toll Road, within the terms of the Service Concession Arrangement with NHAI, on Lease for a Petrol Pump to be operated by Hindustan Petroleum Company Limited (HPCL) and Lease and operations of Rest Area to Synergy Engineers Group Private Limited. An amount of Rs 0.16 Crores (Rs 0.16 Crores) had accrued from HPCL and Rs 0.16 Crores (Rs 0.12 Crores) from Synergy as Lease rentals.

Future minimum rentals receivable under non-cancellable operating leases is as follows:

	(Rs. in crore)	
	As at 31-Mar-21	As at 31-Mar-20
Within one year	0.35	0.33
After one year but not more than five years	1.24	1.38
More than five years	2.62	2.83
	<b>4.21</b>	<b>4.54</b>



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

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



Note:- 36 Corporate Social Responsibility Expenses (CSR)

As per Section 135 of the Companies Act, 2013 read with guidelines issued by Department of Public Enterprises, GOI, the Company is required to spend, in every financial year, at least two per cent of the average net profits of the Company made during the three immediately preceding financial years in accordance with its CSR Policy. Since the average net profits of the Company are negative, no amount has been spent on CSR activities.

Note :- 37 Other disclosures

- a) Some of the balances shown under debtors, advances and creditors are subject to confirmation / reconciliation/ adjustment, if any. The Company has been sending letters for confirmation to parties. However, the does not expect any material dispute w.r.t. the recoverability/payment of the same.
- b) In the opinion of the management, the value of current assets, loans and advances on realization in the ordinary course of business, will not be less than the value at which these are stated in the balance sheet.  

The duration and impact of the COVID-19 pandemic especially on account of second wave of the pandemic, remains unclear at present as on reporting date. Hence, it is not possible to reliably estimate the duration and severity of these consequences, as well as their impact on the financial position and results of the Company for future periods. However, the company is protected by the clauses 29.6 of the Concession Agreement to claim such loss under force majeure event in the form of revenue loss compensation by way of extension of the concession period. The impact of the lockdown disruption/ COVID-19 pandemic will have to be assessed from time to time and communicated as we progress during the current financial year. A lot depends on the success of the various pandemic containment efforts being undertaken by the State and Central Governments and Health authorities. It is therefore premature to forecast the future impact with credibility at this stage.
- c) Certain prior periods amounts have been reclassified for consistency with the current period presentations. These reclassifications have no effect on the reported results of operations. Also, previous year figures are shown under bracket () to differentiate from current year figures.  

Ministry of Corporate Affairs ("MCA") notifies new accounting standard or amendments to the existing standards. There is no such notification which would have been applicable from 1st April, 2021. MCA issued notification dated 24th March, 2021 to amend Division I, II and III of Schedule III of the Companies Act, 2013 to enhance the disclosures required to be made by the Company in its financial statements. These amendments are applicable to the Company for the financial year starting 1st April, 2021.
- e) The amendments are extensive and the Company will evaluate the impact of these amendments to ensure compliance with the law.

For P. R. KUMAR & Co.  
Chartered Accountants  
Firm Reg. No.: 00186N

(CA Deepak Srivastava)  
Partner  
M. No. 501615

Place : New Delhi  
Date : 22/06/2021

UJIN: 21501615AAAABQ3802



(Sh Yogesh Kumar Misra)  
Chairman  
DIN-07654014

(Masood Ahmad Najar)  
Chief Executive Officer

(Surajit Dutta)  
Director  
DIN-06687032

(Sanjeev Kumar Gupta)  
Chief Financial Officer

(Iti Matta)  
Company Secretary



# **C&AG COMMENTS**



सर्वहिताय सार्वभारतम्  
Dedicated to Truth in Public Interest

भारतीय लेखापरीक्षा एवं लेखा विभाग  
प्रधान निदेशक लेखापरीक्षा का कार्यालय  
रेलवे वाणिज्यिक, नई दिल्ली  
INDIAN AUDIT AND ACCOUNTS DEPARTMENT  
OFFICE OF THE PRINCIPAL DIRECTOR OF AUDIT  
RAILWAY COMMERCIAL, NEW DELHI

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



सत्यमेव जयते

संख्या/पी.डी.ए/आर.सी/ISGTL/AA/14-16/2021-22/97

दिनांक: 10.08.2021

12

सेवा में,

अध्यक्ष

इरकॉन शिवपुरी गुना टोलवे लिमिटेड,

सी-4, डिस्ट्रिक्ट सेंटर, साकेत,

नई दिल्ली -110017.

विषय: 31 मार्च 2021 को समाप्त वर्ष के लिए इरकॉन शिवपुरी गुना टोलवे लिमिटेड के वित्तीय विवरणों पर कंपनी अधिनियम 2013 की धारा 143 (6) (b) के अंतर्गत भारत के नियंत्रक एवं महालेखापरीक्षक की टिप्पणियाँ |

महोदय,

मैं, इरकॉन शिवपुरी गुना टोलवे लिमिटेड के 31 मार्च 2021 को समाप्त वर्ष के वित्तीय विवरणों पर कंपनी अधिनियम 2013 की धारा 143 (6) (b) के अंतर्गत भारत के नियंत्रक एवं महालेखापरीक्षक की टिप्पणियाँ अग्रेपित कर रहा हूँ |

कृपया इस पत्र की संलग्नको सहित प्रामि की पावती भेजी जाए |

संलग्न: यथोपरी

भवदीय,

(के.एस. रामवालिया)  
प्रधान निदेशक (रेलवे वाणिज्यिक)

**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 SHIVPURI GUNA TOLLWAY LIMITED FOR THE YEAR ENDED 31 MARCH 2021**

The preparation of financial statements of **IRCON SHIVPURI GUNA TOLLWAY LIMITED** for the year ended 31 March 2021 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 is the responsibility of the management of the company. The Statutory Auditors appointed by the Comptroller and Auditor General of India under Section 139 (5) of the Act are responsible for expressing opinion on the financial statements under Section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Revised Audit Report dated 26 July 2021 which supersedes their earlier Audit Report dated 22 June 2021..

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of **IRCON SHIVPURI GUNA TOLLWAY LIMITED** for the year ended 31 March 2021 under section 143(6)(a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

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

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



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

**Place: New Delhi**  
**Dated: 10.08.2021**

**IRCON SHIVPURI GUNA TOLLWAY LIMITED**  
**(IrconSGTL)**  
**CIN: U45400DL2015GOI280017**

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**Registered & Corporate Office:**

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**Tel.: +91-11-29565666 | Fax: +91-11-26522000, 26854000**  
**E-mail id: [cs.irconsgtl@gmail.com](mailto:cs.irconsgtl@gmail.com)**