

MKPS & ASSOCIATES

CHARTERED ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To,

The Members of Chittoor Thachur Highway Private Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Chittoor Thachur Highway Private Limited ("the Company"), which comprise the balance sheet as at March 31, 2023, the statement of Profit and Loss for the period from April 01, 2022 to March 31, 2023, statement of changes in equity and statement of cash flows for the period then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

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

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) issued by ICAI and 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Management Discussion and Analysis, Business Responsibility Report and Report on Corporate Governance but does not include the financial statements and our auditors' report thereon. The above-referred information is expected to be made available to us after the date of this audit report.

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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. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions necessitated by the circumstances and the applicable laws and regulations. We have nothing to report on this.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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



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

Materiality is the magnitude of misstatements in the IndAS Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Ind AS Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in:

- i. planning the scope of our audit work and in evaluating the results of our work; and
- ii. to evaluate the effect of any identified misstatements in the Ind AS Financial Statements.

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

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

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013 (the Act), we give in Annexure - I a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

As required by Section 143(3) of the Act, we report that:



- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books
- (c) The Balance Sheet, the Statement of Profit and Loss, and the statement of cash flows dealt with by this Report are in agreement with the books of account
- (d) In our opinion, the aforesaid financial statements comply, in material respect, with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on 31st March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **Annexure II**.
- (g) 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 of which impact is required to be disclosed on its financial position.;
 - ii) Based on the assessment made by the company, there are no material foreseeable losses on its long term contracts that may require any provisioning
 - iii) In view of there being no amounts required to be transferred to the Investor Education and Protection Fund for the period under audit, the reporting under this clause is not applicable.
 - iv) A) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

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



- C) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11 (e) as provided under (A) and (B) above contain any material misstatement. The company has neither declared nor paid any dividends during the period under audit.
- v) Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended 31st March, 2023.

For MKPS & Associates
Chartered Accountants
Firm Registration Number: -302014E

V. S. Matta

CA Vasudev Sunderdas Matta
Partner

Membership No.:046953

UDIN: 23046953B64NKL8321

Date: 08-05-2023

Place: Mumbai



Annexure - I to the Independent Auditors Report

Referred to in our report of even date, to the members of Chittoor Thachur Highway Private Limited for the period ended March 31, 2023

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

- i) (a) The company does not have any property, plant and equipment or Intangible assets or immovable properties. Hence, the reporting requirements under sub-clause (a) (b), (c) and (d) of clause (i) of paragraph 3 of the order are not applicable.

(e) According to the information and explanations provided to us and on the basis of our examination of the records of the company, we report that no proceedings have been initiated during the period or are pending against the company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- ii) (a) In our opinion, and according to the information and explanations given to us, the company does not carry any inventories. Hence, the reporting requirements under sub-clause (a) of clause (ii) of paragraph 3 of the order are not applicable.

(b) The company has not been sanctioned any working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets and hence the reporting requirements under sub-clause (b) of clause (ii) of paragraph 3 of the order are not applicable.
- iii) According to the information and explanations provided to us and on the basis of our examination of the records of the company, we report that the company has not made any investments in, nor provided any guarantee or security nor granted any loans or advances in the nature of loans, to companies, firms, Limited Liability Partnerships or any other parties. Hence, the reporting requirements under clause (iii) of paragraph 3 of the order are not applicable.
- iv) In our opinion and according to the information and explanations given to us, the company has not advanced any loans to directors / to a company in which the Director is interested to which the provisions of section 185 of the Act apply. Further, based on the information and explanations given to us, being an infrastructure company, the provisions of section 186 of the Act to the extent of loans, guarantees and securities granted are not applicable to the company. Hence, the reporting requirements under clause (iv) of paragraph 3 of the order are not applicable.
- v) In our opinion and according to the information and explanations given to us, the company has not accepted any deposits during the period under audit. Consequently, the directives issued by Reserve Bank of India and the provisions of sections 73 to 76 of the Act and the rules framed thereunder are not applicable.
- vi) The maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Act for the company. Hence, the reporting requirements under clause (vi) of paragraph 3 of the order are not applicable.



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- vii) (a) In our opinion and according to the information and explanations given to us and based on our examination of the books of the company, the company is generally regular in depositing undisputed applicable statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, and any other material statutory dues to the appropriate authorities.

In our opinion and according to the information and explanations given to us and based on our examination of the books of the company, the company is generally regular in depositing undisputed applicable statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, and any other material statutory dues to the appropriate authorities.

There are no undisputed amounts payable in respect of Goods and Services Tax, provident fund, employees' state insurance, income-tax, and any other material statutory dues in arrears as at March 31, 2023 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, there are no statutory dues referred to in clause (a) above which have not been deposited on account of any dispute.
- viii) In our opinion and according to the information and explanations given to us, there are no transactions relating to previously unrecorded income that has been surrendered or disclosed as income during the period in the tax assessments under the Income Tax Act, 1961.
- ix) (a) In view of there being no borrowings in the company as at and during the period March 31, 2023, the reporting requirements under sub-clause (a), (b), (c) and (d) of clause (ix) of paragraph 3 of the order are not applicable.
(b) The company does not have any subsidiary, joint venture or associate and hence the reporting requirements under sub-clause (e) and (f) of clause (ix) of paragraph 3 of the order are not applicable.
- x) (a) According to the information and explanations provided to us and based on our examination of the books of accounts and other records, we report that the company has not raised any moneys raised by way of initial public offer or further public offer (including debt instruments) during the period. Hence, the reporting requirements under sub-clause (a) of clause (x) of paragraph 3 of the order are not applicable.
(b) According to the information and explanations provided to us, and based on our examination of the Company's records, the company has made preferential allotment of shares during the year and complied with the provisions of Section 42 & Section 62 of the Companies Act, 2013, and the funds raised were used for the purposes for which they were raised.
- xi) (a) Based on the audit procedures performed by us for the purpose of reporting the true and fair view of the financial statements and as per the information and explanations given to us by the management, we report that we have neither come across any instance of fraud by the company or on the company by its officers or employees, noticed or reported during the period, nor have we been informed of any such case by the management.



- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government during the period and till the date of this report.
- (c) According to the information and explanations provided to us, no whistle blower complaints have been received during the period and up to the date of this report.
- xii) The company is not a Nidhi Company and hence the reporting requirements under clause (xii) of paragraph 3 of the order are not applicable.
- xiii) According to the information and explanations given to us, all transactions entered into by the company with related parties are in compliance with section 177 and 188 of the Act where applicable and the details thereof have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv) a) In our opinion, the company has an internal audit system commensurate with the size and nature of its business.
b) We have considered the internal audit reports for the year under audit, issued to the company, in determining the nature, timing and extent of audit procedures.
- xv) As per the information and explanations provided to us, the company has not entered into any non-cash transactions with directors or persons connected with them and hence the provisions of section 192 of the Act are not applicable to the company.
- xvi) a) In our opinion and according to the information and explanations given to us, the company is not required to be registered under Section 45 – IA of the Reserve Bank of India, 1934. Hence, the reporting requirements under sub-clause (a), (b) and (c) of clause (xvi) of paragraph 3 of the order are not applicable.
b) According to the information and explanation given to us by the management, in our opinion, there is no Core Investment Company as part of the Group. Hence, the reporting requirements under sub-clause (d) of clause (xvi) of paragraph 3 of the order are not applicable.
- xvii) The company has not incurred cash losses during the current financial year, whereas the company has incurred cash losses of Rs. 0.07 million in the previous financial year.
- xviii) There has been no resignation of statutory auditors during the period under audit.
- xix) On the basis of the financial ratios, ageing and expected dates of realisation of assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that the company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company.



We further state that our reporting is based on the facts upto the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

- xx) According to the information and explanations given to us and based on our examination of the records of the Company, The Section 135 of the Companies Act, 2013 is not applicable to the Company. Hence, reporting under this para 3 (xx) (a) & (b) are not applicable.
- xxi) Reporting under Paragraph 3(xvi)(a) of the Order is not applicable to the Company as the Ind AS Financial Statements under reporting are not consolidated Ind AS Financial Statements.

For MKPS & Associates
Chartered Accountants
Firm Registration Number: -302014E

V. S. Matta

CA Vasudev Sunderdas Matta
Partner

Membership No.:046953

UDIN: 230469537B64NKC8321

Date: 08-05-2023

Place: Mumbai



**Annexure – II to the Independent Auditors Report
Referred to in para 8 of our report of even date, to the members of Chittoor Thachur
Highway Private Limited for the year ended March 31, 2023**

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

We have audited the internal financial controls over financial reporting of Chittoor Thachur Highway Private Limited (“the Company”) as of March 31, 2023 in conjunction with our audit of the financial statements of the Company for the period ended on that date.

Management’s Responsibility for Internal Financial Controls

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

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, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, 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.



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

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For MKPS & Associates
Chartered Accountants
Firm Registration Number: -302014E

Vasudev

CA Vasudev Sunderdas Matta
Partner

Membership No.:046953

UDIN: 23046953B64YNKC8321

Date: 08-05-2023

Place: Mumbai



Chittoor Thachur Highway Private Limited
Balance Sheet as at March 31, 2023

	Note No.	March 31, 2023	Amount in millions March 31, 2022
I ASSETS			
(1) Non-current assets			
Financial assets			
i) Other financial assets	4	863.21	-
		863.21	-
(2) Current assets			
Financial assets			
i) Investments	5	547.51	-
ii) Cash and cash equivalents	6	0.49	0.16
iii) Other financial assets	7	617.04	-
Other current assets	8	15.05	136.60
		1,180.09	136.76
TOTAL ASSETS		2,043.30	136.76
II EQUITY AND LIABILITIES			
Equity			
Equity share capital	9 (a)	295.90	0.50
Subordinate debt	9 (b)	284.30	-
Other equity	9 (c)	58.79	(0.07)
		638.99	0.43
(1) Non-current liabilities			
Deferred tax liabilities (net)	10	18.54	-
		18.54	-
(2) Current liabilities			
Financial liabilities			
i) Trade payables	11	-	-
a) total outstanding dues of micro enterprises and small enterprises		918.31	133.27
b) total outstanding dues of creditors other than micro enterprises	12	4.67	-
ii) Other financial liabilities	13	461.99	3.06
Other current liabilities	14	0.80	-
Current tax liabilities (net)		1,385.77	136.33
Total liabilities		1,404.31	136.33
TOTAL EQUITY AND LIABILITIES		2,043.30	136.76

Summary of significant accounting policies

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The accompanying summary of significant accounting policies and other explanatory information are as an integral part of the financial statements.

As per our report of even date
For M K P S & Associates
Chartered Accountants
Firm's Regd. No. 302014E

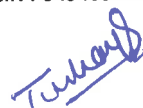


CA. Vasudev Suderdas Matta
Partner

Membership No.: 046953



For and on behalf of the Board of Directors of
Chittoor Thachur Highway Private Limited
(CIN : U45400MH2021PTC369357)



Tushar Kawedia
Director and Chief
Financial Officer
DIN : 07733424



Amitabh Murarka
Director
DIN : 08099533




Sudhir Rao Hoshing
Chief Executive Officer


Mehul Patel
Company Secretary

Place: Mumbai
Date :

08 MAY 2023

Place : Mumbai
Date :


08 MAY 2023

Chittoor Thachur Highway Private Limited
Statement of Profit and Loss for the year ended March 31, 2023

		Amount In millions	
	Note No.	For the year ended March 31, 2023	For the period from October 13, 2021 to March 31, 2022
Income			
Revenue from operations	15	1,480.25	-
Other income	16	5.40	-
TOTAL INCOME		1,485.65	-
Expenses			
Road work and site expenses	17	1,379.70	-
Finance costs	18	21.83	-
Other expenses	19	5.46	0.07
TOTAL EXPENSES		1,406.99	0.07
Profit / (loss) before tax		78.66	(0.07)
Tax expenses			
Current tax	20	1.26	-
Deferred tax		18.54	-
TOTAL TAX EXPENSES		19.80	-
Profit/(loss) for the year		58.86	(0.07)
Other comprehensive income			
Item that will not to be reclassified to profit or loss:			
Re-measurement gains/ (losses) on defined benefit plans (net of taxes)		-	-
Net other comprehensive income not to be reclassified to profit or loss in subsequent years		-	-
Other comprehensive income/(loss) for the year (net of tax)		-	-
Total comprehensive Income for the year		58.86	(0.07)
Earnings per equity share (of Rs. 10 each)			
Basic		13.32	(3.07)
Diluted		13.32	(3.07)
Summary of significant accounting policies	3		

The accompanying summary of significant accounting policies and other explanatory information are as an integral part of the financial statements.

As per our report of even date
For **M K P S & Associates**
Chartered Accountants
Firm's Regd. No. 302014E


CA. Vasudev Suderdas Matta
Partner
Membership No.: 046953



For and on behalf of the Board of Directors of
Chittoor Thachur Highway Private Limited
(CIN : U45400MH2021PTC369357)


Tushar Kawedia
Director and Chief
Financial Officer
DIN : 07733424


Amitabh Murarka
Director
DIN : 08099533


Sudhir Rao Hoshing
Chief Executive Officer


Mehul Patel
Company Secretary



Place: Mumbai
Date : **08 MAY 2023**

Place: Mumbai
Date : **08 MAY 2023**

Chittoor Thachur Highway Private Limited
Statement of changes In Equity for the year ended March 31, 2023

	Amount in millions	
	March 31, 2023	March 31, 2022
(a) Equity Share Capital:		
Equity shares of INR 10 each Issued, subscribed and fully paid up		
At the beginning of the year	0.50	-
Increase/(decrease) during the year	295.40	0.50
At the end of the year (29,540,200 equity shares of Rs. 10 each)	<u>295.90</u>	<u>0.50</u>
(b) Subordinated debt (unsecured and Interest free)		
At the beginning of the year	-	-
Increase during the year	284.30	-
Decrease during the year	-	-
At the end of the year	<u>284.30</u>	<u>-</u>
(c) Other Equity		
As at April 01, 2021	-	-
Profit/(loss) for the year	(0.07)	-
Other comprehensive income/(loss) for the year	-	-
Total comprehensive income/(loss) for the year	<u>(0.07)</u>	<u>(0.07)</u>
As at March 31, 2022	<u>(0.07)</u>	<u>(0.07)</u>
Profit/(loss) for the year	58.86	-
Other comprehensive income/(loss) for the year	-	-
Total comprehensive income/(loss) for the year	<u>58.86</u>	<u>58.86</u>
As at March 31, 2023	<u>58.79</u>	<u>58.79</u>


Reserve and Surplus	Item of Other Comprehensive Income (OCI)	Total
-	-	-
(0.07)	-	(0.07)
-	-	-
<u>(0.07)</u>	<u>-</u>	<u>(0.07)</u>
<u>(0.07)</u>	<u>-</u>	<u>(0.07)</u>
58.86	-	58.86
-	-	-
<u>58.86</u>	<u>-</u>	<u>58.86</u>
<u>58.79</u>	<u>-</u>	<u>58.79</u>

Summary of significant accounting policies

3

The accompanying summary of significant accounting policies and other explanatory information are as an integral part of the financial statements.

As per our report of even date
For M K P S & Associates
 Chartered Accountants
 Firm's Regd. No. 302014E


CA. Vasudev Suderdas Matta
 Partner

Membership No.: 046953



For and on behalf of the Board of Directors of
Chittoor Thachur Highway Private Limited
 (CIN : U45400MH2021PTC369357)


Tushar Kawedia
 Director and Chief
 Financial Officer
 DIN : 07733424


Amitabh Murarka
 Director
 DIN : 08099533


Sudhir Rao Hoshing
 Chief Executive Officer


Mehul Patel
 Company Secretary



Place : Mumbai

Date : **08 MAY 2023**

Place : Mumbai

Date : **08 MAY 2023**

Chittoor Thachur Highway Private Limited
Statement of cash flow for the year ended March 31, 2023

Amount in millions

Particulars	March 31, 2023	March 31, 2022
A. Cash flow from operating activities		
Profit before tax	78.67	(0.07)
Adjustments :		
Finance costs	21.83	-
(Gain) / loss Profit on sale of fixed assets	(5.00)	-
Fair Value gain on Mutual Funds	(0.40)	-
Operating profit/(loss) before working capital changes	95.10	(0.07)
Movement in working capital:		
Decrease/(increase) in others financial assets	(1,480.25)	-
Decrease/(increase) in other current assets	121.55	(136.60)
Increase/(decrease) in trade payables	785.04	133.27
Increase/(decrease) in other financial liabilities	4.66	-
Increase/(decrease) in other current liabilities	458.92	3.06
Cash generated from/(used In) operations	(14.98)	(0.34)
Direct taxes paid (net of refunds)	(0.45)	-
Net cash flows from/(used in) operating activities	(15.43)	(0.34)
B. Cash flows from investing activities		
Proceeds from sale/ (purchase) of current investments (net)	(542.11)	-
Net cash flows from/(used in) investing activities	(542.11)	-
C. Cash flow from financing activities		
Other Equity		
Proceeds from issuance of equity share capital	295.40	0.50
Proceeds from sub-ordinated debt	284.30	-
Finance cost paid	(21.83)	-
Net cash flows from/(used in) financing activities	557.87	0.50
Net increase/(decrease) in cash and cash equivalents (A+B+C)	0.33	0.16
Cash and cash equivalents at the beginning of the year	0.16	-
Cash and cash equivalents at the end of the year (refer note 6)	0.49	0.16
Components of cash and cash equivalents		
Cash on hand	-	-
Balances with scheduled banks		
- On Current Account	0.49	0.16
Total Cash and cash equivalents (refer note 6)	0.49	0.16
Debt reconciliation statement in accordance with Ind AS 7		
Opening balances		
Long term borrowings	-	-
Short term borrowings	-	-
Movements		
Long term borrowings	-	-
Short term borrowings	-	-
Closing balances		
Long term borrowings	-	-
Short term borrowings	-	-



Chittoor Thachur Highway Private Limited
Statement of cash flow for the year ended March 31, 2023

Summary of significant accounting policies

3

The accompanying summary of significant accounting policies and other explanatory information are as an integral part of the financial statements.

Notes:

1. All figures in bracket are outflow.
2. Taxes paid are treated as arising from operating activities and are not bifurcated between investing and financing activities.
3. The cash flow statement has been prepared under Indirect Method as per Ind AS 7 "Statement of Cash Flows".

As per our report of even date
For M K P S & Associates
Chartered Accountants
Firm's Regd. No. 302014E


CA. Vasudev Suderdas Matta

Partner
Membership No.: 046953



For and on behalf of the Board of Directors of
Chittoor Thachur Highway Private Limited
(CIN : U45400MH2021PTC369357)


Tushar Kawedia
Director and Chief
Financial Officer
DIN : 07733424


Sudhir Rao Hoshing
Chief Executive Officer

Place: Mumbai
Date :


Amitabh Murarka
Director
DIN : 08099533


Mehul Patel
Company Secretary

Place: Mumbai
Date : **08 MAY 2023**



Place: Mumbai

Date : **08 MAY 2023**

1 Corporate Information

Chittoor Thachur Highway Private Limited ('the Company') is a company incorporated on October 13, 2021. The Company has been awarded the contract of development of Six laning of Chittoor- Thachur road from km. 96.040 (Pondavakkam) to km. 116.100 (Kannigaipair) on Hybrid Annuity model under Bharatmala Pariyojana in the state of Tamil Nadu (Package - IV).

The Company is a subsidiary of IRB Infrastructure Developers Limited ('IRBIDL').

The registered office is located at 1101, Hiranandani Knowledge Park, 11th Floor, Technology Street, Hill Side Avenue Opp Hiranandani Hospital, Powai, Mumbai – 400 076.

The Financial Statements were authorised for issue in accordance with a resolution of the directors on May 08, 2023.

2 Basis of preparation

2.01 Statement of compliance

These Financial Statements which comprise the Balance sheet as at March 31, 2023, Financial Statement of Profit and Loss (including Other Comprehensive Income), the Financial Statement of Changes in Equity and the Financial Statement of Cash Flows for the period ended March 31, 2023 and a summary of the significant accounting policies and other explanatory information (together herein after referred to as "Financial Statements") have been prepared in accordance with the Indian Accounting Standards (Ind AS) to comply with the Section 133 of the Companies Act, 2013 ("the Act") and the relevant provisions and amendments, as applicable. These Financial Statements for the period ended March 31, 2023 have been prepared solely to assist the Holding Company to prepare its Financial Statements for the inclusion in the Offering Memorandum in connection with the proposed issuance of Non-Convertible Debentures of the Holding Company.

2.02 Functional and presentation currency

The Financial Statements are presented in Indian Rupee ('INR') which is also the Company's functional currency and all values are rounded to the nearest millions, except when otherwise indicated. Wherever the amount represented '0' (zero) construes value less than Rupees five thousand.

2.03 Basis of measurement

The Financial Statements have been prepared on a historical cost basis, except for certain financial assets and liabilities (refer accounting policies regarding financial instruments) which have been measured at fair value.

3 Summary of significant accounting policies

3.01 Current versus non-current classification

The company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

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

All other assets are classified as non-current.

A liability is current when:

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

The company classifies all other liabilities as non-current.

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

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

3.02 Fair value measurement

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.

The company's Management determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for distribution in discontinued operations.

At each reporting date, the Management analyses the movements in the values of assets and liabilities which are required to be remeasured or re-assessed as per the company's accounting policies. For this analysis, the Management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The Management also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

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.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

Disclosures for valuation methods, significant estimates and assumptions (note 28)

Financial instruments (including those carried at amortised cost) (note 25)

Fair value measurement hierarchy (note 24)



3.03 Use of estimates and Judgements

The preparation of the Company's Financial Statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future years.

Estimates and assumptions

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future years are affected.

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 period, are described below. The Company based its assumptions and estimates on parameters available when the Financial Statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Fair value measurement of financial instruments (Refer note 24)

3.04 Revenue recognition

The Company has adopted Ind AS 115, Revenue from Contracts with Customers, with effect from 13 October 2021. The Company has applied the following accounting policy for revenue recognition:

Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment.

The specific recognition criteria described below must also be met before revenue is recognised.

Revenue from contracts with customers:

The Company recognises revenue from contracts with customers based on a five step model as set out in Ind AS 115:

Step 1. Identify the contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2. Identify the performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

Step 3. Determine the transaction price: The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4. Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Company will allocate the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.

Step 5. Recognise revenue when (or as) the entity satisfies a performance obligation.

The Company satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

1. The customer simultaneously receives and consumes the benefits provided by the Company's performance as the Company performs; or
2. The Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
3. The Company's performance does not create an asset with an alternative use to the company and the entity has an enforceable right to payment for performance completed to date.

Contract revenue

Contract revenue associated with the utility shifting incidental to construction of road are recognised as revenue by reference to the stage of completion of the projects at the balance sheet date. The stage of completion of project is determined by the proportion that contract cost incurred for work performed up to the balance sheet date bears to the estimated total contract costs.

Contract revenue and contract cost associated with the construction of road are recognised as revenue and expenses respectively by reference to the stage of completion of the projects at the balance sheet date. The stage of completion of project is determined by the proportion that contract cost incurred for work performed up to the balance sheet date bear to the estimated total contract costs and considering work certified by Independent Engineer. Where the outcome of the construction cannot be estimated reliably, revenue is recognised to the extent of the construction costs incurred if it is probable that they will be recoverable. If total cost is estimated to exceed total contract revenue, the Company provides for foreseeable loss.

The company operations involve levying of GST on the construction work. GST is not received by the company on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the Government. Accordingly, it is excluded from revenue.

Operation and maintenance contracts

Revenue from maintenance contracts are recognised pro-rata over the period of the contract as and when services are rendered.

Finance Income for concession agreement under financial asset model is recognised using effective interest method.

Financial receivable is initially recorded at fair value of guaranteed residual value to be received as per the terms of concession agreement. This receivable is subsequently measured at amortised cost. Any assets carried under concession agreement are derecognised on disposal or when no future economic benefits are expected from its future use or disposal or when the contractual rights to the financial assets expire.



Interest Income

Revenue is recognised on a time proportion basis taking into account the amount outstanding and the rates applicable. For all debt instruments measured either at amortised cost or at fair value through other comprehensive income, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. When calculating the effective interest rate, the company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses. Interest income is included in finance income in the statement of profit and loss.

Dividends

Revenue is recognised when the company's right to receive the payment is established, which is generally when shareholders approve the dividend.

3.05 Taxes**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. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date in the countries where the company operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised 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.

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 liabilities are recognised for all taxable temporary differences, except:

When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised 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 utilised, except:

When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

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 profits will allow the deferred tax asset to be recovered.

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

Deferred tax relating to items recognised outside profit or loss 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 tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Tax credit is recognised as an asset only when and to the extent there is convincing evidence that the company will pay income tax higher than that computed under MAT, during the period that MAT is permitted to be set off under the Income Tax Act, 1961 (specified period). In the period, in which the tax credit becomes eligible to be recognised as an asset in accordance with the recommendations contained in the Guidance note issued by the Institute of Chartered Accountants of India (ICAI), the said asset is created by way of a credit to the Statement of profit and loss and shown as Unused Tax credit. The company reviews the same at each balance sheet date and writes down the carrying amount of unused tax credit to the extent there is no longer convincing evidence to the effect that the company will pay income tax higher than MAT during the specified period.

3.06 Borrowing costs

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 expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

3.07 Provisions

Provisions are recognised when the company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

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.

3.08 Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The company does not recognise a contingent liability but discloses its existence in the Financial Statements.

3.09 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.

Financial assets**Initial recognition and measurement**

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the company commits to purchase or sell the asset.



Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories;
Debt instruments at amortised cost
Debt instruments at fair value through other comprehensive Income (FVTOCI)
Debt Instruments, derivatives and equity Instruments at fair value through profit or loss (FVTPL)
Equity instruments measured at fair value through other comprehensive Income (FVTOCI)

Financial Assets at amortised cost

A financial assets 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.

This category is the most relevant to the company. All the Loans and other receivables under financial assets (except Investments) are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Trade receivables do not carry any interest and are stated at their nominal value as reduced by impairment amount.

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.

Financial Assets at Fair Value through Profit or Loss

All investments in scope of Ind AS 109 are measured at fair value. company has Mutual fund and quoted equity investment which are held for trading, are classified as at FVTPL. For all other investments (National Savings Certificate), the company has made 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 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 P&L, even on sale of investment. However, the company may transfer the cumulative gain or loss within equity.

Instruments included within the FVTPL category are measured at fair value with all changes recognized in the Profit & Loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a company of similar financial assets) is primarily derecognised (i.e. removed from the company's balance sheet) when:

The rights to receive cash flows from the asset have expired, or

The company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material lay to a third party under a 'pass-through' arrangement; and either (a) the company has transferred substantially all the risks and rewards of the asset, or (b) the company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the company continues to recognise the transferred asset to the extent of the company's continuing involvement. In that case, the company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the company has retained.

Other Financial Assets

Other Financial Assets mainly consists of Loans to employees and Security Deposit and other deposits, Interest accrued on Fixed Deposits, Retention money receivable from NHAI and other receivables and advances measured at amortized cost.

Following are the policy for specific financial assets:-

Type of financial asset	
Loans to employees	The company avails guarantee for loan provided to employees. In case of default in repayment of loan, the same is recovered from the salary of guarantor.
Security Deposit	Security deposit is in the nature of statutory deposits like electricity, telephone deposits. Since they are kept with Government bodies, there is low risk.
Retention money/ Grant receivable	Retention money/ grant majorly pertain to Government receivables. Hence there is no major risk of bad debts.

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 17
- 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 11 and Ind AS 18 (referred to as 'contractual revenue receivables' in these illustrative financial statements)
- e) Loan commitments which are not measured as at FVTPL
- f) Financial guarantee contracts which are not measured as at FVTPL

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.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as Income/ expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L.

Financial assets measured as at amortized cost and other contractual revenue 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.

Financial assets measured at FVTOCI - Financial assets that are debt instruments are measured at FVTOCI. ECL amount is presented as 'accumulated impairment amount' in the OCI.

Impairment of financial assets

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets. Expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognized as an impairment gain or loss in profit or loss



Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, trade payables and other payables.

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 including bank overdrafts and other payables

Subsequent measurement

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

Loans and borrowings

This is the category most relevant to the company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Considering that the impact of restatement of effective interest rate, period on period due to reset of interest rate, is not material and hence the company is amortising the transaction cost in straight line basis over the tenure of the concession period. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the transaction cost amortisation process. This category generally applies to borrowings.

Derecognition

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 or loss.

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. The company's senior management determines change in the business model as a result of external or internal changes which are significant to the company's operations. 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.

The following table shows various reclassification and how they are accounted for:

Original classification	Revised classification	Accounting treatment
Amortised cost	FVTPL	Fair value is measured at reclassification date. Difference between previous amortized cost and fair value is recognised in Profit & Loss.
FVTPL	Amortised cost	Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount.
Amortised cost	FVTOCI	Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification.
FVTOCI	Amortised cost	Fair value at reclassification date becomes its new amortised cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost.
FVTPL	FVTOCI	Fair value at reclassification date becomes its new carrying amount. No other adjustment is required.
FVTOCI	FVTPL	Assets continue to be measured fair value. Cumulative gain or loss previously recognized in OCI is reclassified to Profit & Loss at the reclassification date.

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 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.

Initial recognition and subsequent measurement

The company uses derivative financial instruments - interest rate swaps hedge its interest rate risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss.

3.10 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

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



3.11 Impairment of non-financial assets

The company assesses, at each reporting date, 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 companies of asset. 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.

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. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

3.12 Segment Information

The Company has identified one business segment in accordance with the Indian Accounting Standard 108 "Operating Segment" notified under Section 133 of the Companies Act, 2013 read together with relevant rules issued thereunder.

3.13 Earnings per share

The Company reports basic and diluted earnings per share in accordance with Ind AS 33 on Earnings per share. Basic earnings per share is computed by dividing the net profit or loss for the period by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the net profit or loss for the period by the weighted average number of equity shares outstanding during the period as adjusted for the effects of all diluted potential equity shares except where the results are anti-dilutive.

3.14 Recent Indian Accounting Standards (Ind AS):

The MCA has notified certain amendments to existing Ind AS via notification dated 23 March 2022. The same shall come into force from annual reporting period beginning on or after 1st April 2022. Key synopsis are as under:

Ind AS 16 Property, Plant and Equipment – For items produced during testing/trial phase, clarification added that revenue generated out of the same shall not be recognised in SOPL and considered as part of cost of PPE.

Ind AS 37 Provisions, Contingent Liabilities & Contingent Assets – Guidance on what constitutes cost of fulfilling contracts (to determine whether the contract is onerous or not) is included.

Ind AS 41 Agriculture – This aligns the fair value measurement in Ind AS 41 with the requirements of Ind AS 113 Fair Value Measurement to use internally consistent cash flows and discount rates and enables preparers to determine whether to use pre-tax or post-tax cash flows and discount rates for the most appropriate fair value measurement.

Ind AS 101 – First time Adoption of Ind AS – Measurement of Foreign Currency Translation Difference in case of subsidiary/associate/JV's date of transition to Ind AS is subsequent to that of Parent – FCTR in the books of subsidiary/associate/JV can be measured based on Consolidated Financial Statements.

Ind AS 103 – Business Combination – Reference to revised Conceptual Framework. For contingent liabilities / levies, clarification is added on how to apply the principles for recognition of contingent liabilities from Ind AS 37. Recognition of contingent assets is not allowed.

Ind AS 109 Financial Instruments – The amendment clarifies which fees an entity includes when it applies the '10 per cent' test in assessing whether to derecognise a financial liability.

Disclosure of Accounting Policies - Amendment to Ind AS 1 Presentation of financial statements

The MCA issued amendments to Ind AS 1, providing guidance to help entities meet the accounting policy disclosure requirements. The amendments aim to make accounting policy disclosures more informative by replacing the requirement to disclose 'significant accounting policies' with 'material accounting policy information'. The amendments also provide guidance under what circumstance, the accounting policy information is likely to be considered material and therefore requiring disclosure. The amendments are effective for annual reporting periods beginning on or after 01 April 2023. The Company is currently revisiting their accounting policy information disclosures to ensure consistency with the amended requirements.

Definition of Accounting Estimates – Amendments to Ind AS 8 Accounting policies, changes in accounting estimates and errors

The amendment to Ind AS 8, which added the definition of accounting estimates, clarifies that the effects of a change in an input or measurement technique are changes in accounting estimates, unless resulting from the correction of prior period errors. These amendments clarify how entities make the distinction between changes in accounting estimate, changes in accounting policy and prior period errors. The distinction is important, because changes in accounting estimates are applied prospectively to future transactions and other future events, but changes in accounting policies are generally applied retrospectively to past transactions and other past events as well as the current period.

The amendments are effective for annual reporting periods beginning on or after 01 April 2023. The amendments are not expected to have a material impact on the Company's financial statements.

Deferred Tax related to Assets and Liabilities arising from a Single Transaction – Amendments to Ind AS 12 Income taxes.

The amendment to Ind AS 12, requires entities to recognise deferred tax on transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences. They will typically apply to transactions such as leases of lessees and decommissioning obligations and will require the recognition of additional deferred tax assets and liabilities.

The amendment should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, entities should recognise deferred tax assets (to the extent that it is probable that they can be utilised) and deferred tax liabilities at the beginning of the earliest comparative period for all deductible and taxable temporary differences associated with:

- right-of-use assets and lease liabilities, and
- decommissioning, restoration and similar liabilities, and the corresponding amounts recognised as part of the cost of the related assets.

The cumulative effect of recognising these adjustments is recognised in retained earnings, or another component of equity, as appropriate. Ind AS 12 did not previously address how to account for the tax effects of on-balance sheet leases and similar transactions and various approaches were considered acceptable. Some entities may have already accounted for such transactions consistent with the new requirements. These entities will not be affected by the amendments.

The other amendments to Ind AS notified by these rules are primarily in the nature of clarifications.

Based on the preliminary assessment, the company does not expect these amendments to have any significant impact on its standalone financial statements.



Chittoor Thachur Highway Private Limited

Notes to financial statements for the year ended March 31, 2023

		Amount in millions	
		March 31, 2023	March 31, 2022
Financial assets (Non-current)			
4	Other financial assets		
	Balance with government authorities	863.21	-
		863.21	-
Financial assets (current)			
5	Investments		
	Investments In Mutual Funds (quoted) (FVTPL)	547.51	-
		547.51	-
6	Cash and cash equivalents		
	Cash on hand	-	-
	Balances with banks:		
	- In current accounts	0.49	0.16
		0.49	0.16
7	Other financial assets		
	Balance with government authorities	617.04	-
		617.04	-
8	Other current assets		
	Duties and taxes receivable	13.05	-
	Other Receivable		
	Others	-	136.36
	Prepaid expenses	2.00	0.24
	Total	15.05	136.60
10	Deferred Tax (net)		
	Deferred tax liabilities		
	Differences in depreciation and other differences in block of fixed assets as per tax books and financial books	18.54	-
	Total	18.54	-



Chittoor Thachur Highway Private Limited
Notes to financial statements for the year ended March 31, 2023

	Amount in millions	
	March 31, 2023	March 31, 2022
9 Equity		
a) Equity share capital		
Authorised share capital		
At the beginning of the year	1.00	-
Authorised during the year	299.00	1.00
At the end of the year (3,00,00,000 equity shares of Rs. 10 each)	300.00	1.00

Issued, subscribed and paid up equity share capital
Equity shares of INR 10/- each Issued, subscribed and fully paid up

At the beginning of the year	0.50	-
Issued and subscribed during the year	295.40	0.50
At the end of the year (2,95,90,200 equity shares of Rs. 10 each)	295.90	0.50

a. Reconciliation of the number of shares outstanding and the amount of share capital:

	March 31, 2023		March 31, 2022	
	No. of shares	Amount in millions	No. of shares	Amount in millions
Equity shares of INR 10 each Issued, subscribed and fully paid				
At the beginning of the year	50,000	0.50	-	-
Increase/(decrease) during the year	2,95,40,200	295.40	50,000	0.50
At the end of the period	2,95,90,200	295.90	50,000	0.50

b. Terms / rights attached to equity shares

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

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

Details of shareholders holding more than 5% shares and held by the holding company (promoter)

	March 31, 2023		March 31, 2022	
	No. of shares	% holding	No. of shares	% holding
IRB Infrastructure Developers Limited	2,95,90,200	100%	50,000	100%
	2,95,90,200	100%	50,000	100%

b) Subordinate Debt

IRB Infrastructure Developers Limited (holding company)

	March 31, 2023	March 31, 2022
	284.30	-
	284.30	-

Subordinate debt (unsecured and interest free)

i) Subordinate debt is the part of Sponsors Equity from the Promoters of the Company for the project which is unsecured and Interest free as per the Common Loan Agreement with the lenders.

ii) Repayment/redemption/interest servicing will be at the discretion of the borrower.

	Amount in millions	
	March 31, 2023	March 31, 2022
c) Other equity		
Retained earnings		
At the beginning of the year	(0.07)	-
Profit / (Loss) for the year	58.86	(0.07)
Other comprehensive income for the year	-	-
As at March 31, 2023	58.79	(0.07)

Retained earnings

Retained earnings are the profits/(loss) that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.



Chittoor Thachur Highway Private Limited
Notes to financials statements for the year ended March 31, 2023

	Amount in millions	
	March 31, 2023	March 31, 2022
11 Trade payables		
a) total outstanding dues of micro enterprises and small enterprises (refer note 23)	-	-
b) Total outstanding dues of creditors other than micro and small enterprises		
- related parties	917.50	133.20
- others	0.81	0.07
Total	918.31	133.27
(Refer note no. 23 for trade payable ageing)		
12 Other financial liabilities		
Other payables		
- related parties	0.81	-
- others	3.86	-
Total	4.67	-
13 Other current liabilities		
Mobilisation advance from customer		
- related parties	-	-
- others	454.50	-
Statutory dues payable (including PF, TDS, GST & others)	7.49	3.06
Total	461.99	3.06
14 CURRENT TAX LIABILITIES (NET)		
Provision for current tax (net of advance tax)	0.80	-
	0.80	-



Chittoor Thachur Highway Private Limited
Notes to financial statements for the year ended March 31, 2023

		Amount in millions	
		For the year ended March 31, 2023	For the period from October 13, 2021 to March 31, 2022
15	Revenue from operations		
	Operating income		
	Contract revenue	1,480.25	-
		1,480.25	-
16	Other income		
	Gain on sale of investment	5.00	-
	Fair value gain on investments	0.40	-
		5.40	-
17	Road work and site expenses		
	Contract expenses	1,377.30	-
	Site and other direct expenses	2.40	-
		1,379.70	-
18	Finance cost		
	Interest expense		
	- on others	3.86	-
	Other borrowing cost		
	Other finance costs	17.97	-
		21.83	-
19	Other expenses		
	Rates & taxes	3.06	-
	Printing & stationary	0.07	-
	Legal and professional fees	1.29	-
	Payment to auditor (refer note below)	0.11	0.07
	Miscellaneous expenses	(0.00)	0.00
	Bank charges	0.24	0.00
	Insurance	0.69	-
		5.46	0.07
	Payment to auditor (including service tax / GST)		
	As auditors:		
	- Statutory audit fees	0.03	0.04
	- Limited review fees	0.08	0.03
		0.11	0.07
20	Tax expenses		
	Current tax	1.26	-
	Deferred tax	18.54	-
		18.54	-



21 Related party disclosures

Related party transaction

Names of the related parties

i) Holding company

IRB Infrastructure Developers Limited

ii) Fellow subsidiaries (only with whom there have been transactions during the year/ there was balance outstanding at the year end)

Ideal Road Builders Private Limited
Modern Road Makers Private Limited
VK1 Expressway Private Limited
MRM Mining Private Limited

iii) Key management personnel

Mr. Rajpaul Sharma - Director
Mr. Amitabh Murarka - Director
Mr. Tushar Kawedia - Director

Amount in millions

Sl. No.	Particulars	Holding Company		Fellow Subsidiaries		Key Management Personal	
		For the year ended March 31, 2023	For the period from October 13, 2021 to March 31, 2022	For the year ended March 31, 2023	For the period from October 13, 2021 to March 31, 2022	For the year ended March 31, 2023	For the period from October 13, 2021 to March 31, 2022
	<u>Related party transactions</u>						
1	Share Application Money IRB Infrastructure Developers Limited	295.40 295.40	0.50 0.50	- -	- -	- -	- -
2	Allotment of shares IRB Infrastructure Developers Limited	295.40 295.40	0.50 0.50	- -	- -	- -	- -
3	Sub-debt received IRB Infrastructure Developers Limited	284.30 284.30	- -	- -	- -	- -	- -
4	BG Commission Modern Road Makers Private Limited	- -	- -	0.81 0.81	- -	- -	- -
5	Expenses made on our behalf IRB Infrastructure Developers Limited Ideal Road Builders Private Limited MRM Mining Private Limited VK1 Expressway Private Limited	2.94 2.94 - - -	0.00 0.00 - - -	0.13 - 0.11 0.02 0.00	0.00 - 0.00 - -	- - - - -	- - - - -
6	Reimbursement of expenses IRB Infrastructure Developers Limited Ideal Road Builders Private Limited MRM Mining Private Limited VK1 Expressway Private Limited	2.94 2.94 - - -	0.00 0.00 - - -	0.13 - 0.11 0.02 0.00	0.00 - 0.00 - -	- - - - -	- - - - -
7	Construction Cost IRB Infrastructure Developers Limited	1,241.05 1,241.05	136.25 136.25	- -	- -	- -	- -

(0.00 denotes to less than Rs. 5,000)



Amount in millions

Sl. No.	Particulars	Holding Company		Fellow Subsidiaries		Key Management Personal	
		For the year ended March 31, 2023	For the period from October 13, 2021 to March 31, 2022	For the year ended March 31, 2023	For the period from October 13, 2021 to March 31, 2022	For the year ended March 31, 2023	For the period from October 13, 2021 to March 31, 2022
	Related party balances						
1	Trade Payable (including Provision) IRB Infrastructure Developers Limited	917.50 917.50	133.20 133.20	- -	- -	- -	- -
2	Sub Debt IRB Infrastructure Developers Limited	284.30 284.30	- -	- -	- -	- -	- -
3	Other Payable Modern Road Makers Private Limited	- -	- -	0.81 0.81	- -	- -	- -



22 Earning per share

Basic EPS amounts are calculated by dividing the profit for the period attributable to equity holders by the weighted average number of Equity shares outstanding during the period.

The following reflects the Income and share data used in the basic and diluted EPS computations:

	Amount In Rupees	
	March 31, 2023	March 31, 2022
Profit / (Loss) for the period	58.86	(0.07)
Weighted average number of equity shares in calculating basic EPS and diluted EPS	44,20,331	23,288
Face value per share (In Rupees)	10	10
Basic earning per share (In Rupees)	13.32	(3.07)
Diluted earning per share (In Rupees)	13.32	(3.07)

23 Details of dues to micro and small enterprises as per MSMED Act, 2006

Under the Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED') which came into force from October 2, 2006, certain disclosures are required to be made relating to Micro and Small enterprises. On the basis of the Information and records available with the management, there are no outstanding dues to the Micro and Small enterprises as defined in the Micro, Small and Medium Enterprises Development Act, 2006 except as set out in the following disclosures.

The disclosure in respect of the amount payable to enterprises which have provided goods and services to the Company and which qualify under the definition of micro and small enterprises, as defined under Micro, Small and Medium Enterprises Development Act, 2006 has been made in the standalone financial statement as at March 31, 2023 based on the information received and available with the Company.

Particulars	Amount in millions	
	March 31, 2023	March 31, 2022
i. Principal amount remaining unpaid to any supplier as at the period end	-	-
ii. Interest due thereon	-	-
iii. Amount of interest paid by the Company in terms of section 16 of the MSMED, along with the amount of the payment made to the supplier beyond the appointed day during the accounting period.	-	-
iv. 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 period) but without adding the interest specified under the MSMED, 2006	-	-
v. Amount of interest accrued and remaining unpaid at the end of the accounting period	-	-
vi. The amount of further interest remaining due and payable even in the succeeding periods, 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 the MSMED Act, 2006	-	-

MSME ageing schedule as at

Particulars	Amount in millions	
	March 31, 2023	March 31, 2022
MSME Undisputed Dues	-	-
Less than 1 year	-	-
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	-
Total	-	-

b) Ageing of creditors other than micro enterprises and small enterprises as at

Particulars	Amount in millions	
	March 31, 2023	March 31, 2022
Others Undisputed Dues	918.31	133.27
Less than 1 year	-	-
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	-
Accrued expenses	-	-
Total	918.31	133.27

24 Fair values

Financial assets and liabilities

The accounting classification of each category of financial Instruments, their carrying amounts and the categories of financial assets and liabilities measured at fair value, are set out below:

FVTPL*	Carrying amount			Fair Value		
	FVTOCI**	Amortised cost	Total	Level 1	Level 2	Level 3
As at 31 March 2023						
Financial assets						
Investment	-	547.51	547.51	-	-	547.51
Loans	-	0.49	0.49	-	-	0.49
Cash and Cash equivalents	-	1,480.25	1,480.25	-	-	1,480.25
Other financial assets	-	-	-	-	-	-
Total	-	2,028.25	2,028.25	-	-	2,028.25
Financial liabilities						
Borrowings	-	-	-	-	-	-
Trade payables	-	918.31	918.31	-	-	918.31
Other financial liabilities	-	4.67	4.67	-	-	4.67
Total	-	922.98	922.98	-	-	922.98
As at 31 March 2022						
Financial assets						
Investment	-	-	-	-	-	-
Loans	-	0.16	0.16	-	-	0.16
Cash and Cash equivalents	-	-	-	-	-	-
Other financial assets	-	-	-	-	-	-
Total	-	0.16	0.16	-	-	0.16
Financial liabilities						
Borrowings	-	-	-	-	-	-
Trade payables	-	133.27	133.27	-	-	133.27
Other financial liabilities	-	-	-	-	-	-
Total	-	133.27	133.27	-	-	133.27

* - Fair value through profit and loss

** - Fair value through other comprehensive income

The company uses the following hierarchy for determining and/or disclosing the fair value of financial Instruments by valuation techniques:

Level 1: Fair value measurement are those derived from quoted prices (unadjusted) in active markets for identical assets and liabilities.

Level 2: Fair value measurements are those derived from inputs other than quoted prices that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)

Level 3: Fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs)

There were no transfers between Level 1 and Level 2 during the period. No financial assets/ liabilities that are measured at fair value were Level 3 fair value measured.

25 Financial risk management objectives and policies

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The Company is exposed to market risk, credit risk, interest rate risk and liquidity risk. The Company's senior management oversees the management of these risk the board of directors review and agreed policies for managing each of these risk which are summarised below:

(a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial Instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: Interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial Instruments affected by market risk include loans and borrowings, deposits and FVTOCI Investments.



Interest rate risk

As infrastructure development and construction business is capital intensive, the company is exposed to interest rate risks. The company's infrastructure development and construction projects are funded to a large extent by debt and any increase in interest expense may have an adverse effect on our results of operations and financial condition. The company's current debt facilities carry interest at variable rates as well as fixed rates with the provision for periodic reset of interest rates. As of March 31, 2022, the majority of the company's indebtedness was subject to variable interest rates. In view of the high debt to equity ratios for the company's infrastructure development projects, an increase in interest expense is likely to have a significant adverse effect on financial results. The company is selectively engaged in interest rate hedging transactions from time to time to protect against interest rate risks.

The interest rate risk exposure is mainly from changes in fixed and floating interest rates. The interest rates are disclosed in the respective notes to the financial statement of the company. The following table analyses the breakdown of the financial assets and liabilities by type of interest rate

	Amount in millions	
	March 31, 2023	March 31, 2022
Financial assets		
Interest bearing		
- fixed interest rate	-	-
Bank balance other than above	-	-
Non interest bearing		
Trade Receivables	-	-
Cash and cash equivalent	0.49	0.16
Other Financial Assets	1,480.25	-
Loan	-	-
Investment	547.51	-
Financial Liabilities		
Interest bearing		
- fixed interest rate	-	-
Borrowings	-	-
Non interest bearing		
Borrowings	-	-
Trade and other payables	918.31	133.27
Other financial liabilities	-	-

(b) Credit risk on financial assets

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

Financial Instruments

Credit risk from balances with banks, trade receivables, loans and advances and financial institutions is managed by the company's top management in accordance with the company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the top management on an annual basis, and may be updated throughout the period subject to approval of the company's board of directors. The limits are set to minimize the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

Trade receivables and Loans and Advances

Customer credit risk and loans and advances is managed by each business unit subject to the company's established policy, procedures and control relating to customer credit risk management. An impairment analysis is performed at each reporting date on an individual basis for major trade receivables and loan and advances which pertains to receivables from subsidiary companies. The company has not identified any impairment loss as at March 31, 2023.

Other financial assets

Credit risk from balances with banks and financial institutions is managed by the company in accordance with the company's policy. Investments of surplus funds are made only in highly marketable debt instruments with appropriate maturities to optimize the cash return on instruments while ensuring sufficient liquidity to meet its liabilities.

(c) Liquidity risk

Liquidity risk is the risk that the company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The company's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The company closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing including debt and overdraft from banks at an optimized cost.

The company's maximum exposure to credit risk for the components of the balance sheet at March 31, 2023 is the carrying amounts as illustrated in Note 8 & 9. The company's maximum exposure relating to financial instruments and the liquidity table are as below:

	Carrying Amount	Amount in millions			Total
		< 1 years	1 to 5 years	> 5 years	
As at 31 March 2023					
Financial assets					
Investments	547.51	547.51	-	-	547.51
Cash and cash equivalents	0.49	0.49	-	-	0.49
Other financial assets	1,480.25	617.04	117.83	745.38	1,480.25
	<u>2,028.25</u>	<u>1,165.04</u>	<u>117.83</u>	<u>745.38</u>	<u>2,028.25</u>
Financial liabilities					
Borrowings	-	-	-	-	-
Other financial liabilities	4.67	4.67	-	-	4.67
Trade payable	918.31	918.31	-	-	918.31
	<u>922.98</u>	<u>922.98</u>	<u>-</u>	<u>-</u>	<u>922.98</u>
As at 31 March 2022					
Financial assets					
Investments	-	-	-	-	-
Cash and cash equivalents	0.16	0.16	-	-	0.16
Other financial assets	-	-	-	-	-
	<u>0.16</u>	<u>0.16</u>	<u>-</u>	<u>-</u>	<u>0.16</u>
Financial liabilities					
Borrowings	-	-	-	-	-
Other financial liabilities	-	-	-	-	-
Trade payable	133.27	133.27	-	-	133.27
	<u>133.27</u>	<u>133.27</u>	<u>-</u>	<u>-</u>	<u>133.27</u>

At present, the company does not expect to repay all liabilities at their contractual maturity. In order to meet such cash commitments, operating activity is expected to generate sufficient cash inflows.



26 Capital management

26 (a) Risk Management

Capital includes equity attributable to the equity holders to ensure that it maintains an efficient capital structure and healthy capital ratios in order to support its business and maximise shareholder value. The Group manages its capital structure and makes adjustments to it, in light of changes in economic conditions or its business requirements. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes during the year ended March 31, 2023 and March 22, 2022.

There is no borrowing as on date, therefore Capital Gearing Ratio is not applicable.

No changes were made in the objectives, policies or processes for managing capital during the period ended March 31, 2023.

26 (b) Concession arrangements - main features

(i) Name of the concession:	Chittoor Thachur Highway Private Limited
(ii) Description of arrangements:	Construction of Six laning of Chittoor-Thachur road from km. 96.040 (Pondavakkam) to km. 116.100 (Kannigalpal) on Hybrid Annuity model under Bharatmala Pariyojana in the state of Tamil Nadu (Package - IV).
(iii) Significant terms of arrangements:	Period of Concession: 15 years from COD Construction Remuneration: Annuity, interest and O&M Investment grant from concession grantor: Yes Infrastructure return to grantor at end of concession: Yes Investment and renewal obligations: No Re-pricing dates: Half periodically for O&M Basis upon which re-pricing or re-negotiation is determined: Inflation price Index as defined in concession agreement

(iv) Financial assets	Amount in millions
a) Current (balance with government Authority)	617.04
b) Non Current	863.21

26 (c) Service concession receivables

The Company manages concession arrangement which include the construction of road on hybrid annuity basis followed by a period in which the Company maintains and services the infrastructure. These concession arrangements set out rights and obligations relating to the infrastructure and services to be provided. For fulfilling those obligations, the Company is entitled to receive cash from the grantor. The Consideration received or receivable is allocated by reference to the relative fair value of the services provided. The same is classified and disclosed as current and non current service concession receivables in the balance sheet based on the criteria of current and non current classification mentioned in note (3.01).

27 Other financial information - ratios

Sr. No.	Particulars	Note reference	March 31, 2023	March 31, 2022
1	Current Ratio	a	0.85	1.00
2	Debt - Equity Ratio	b	Not Applicable	Not Applicable
3	Debt Service Coverage Ratio	c	Not Applicable	Not Applicable
4	Return on Equity (ROE)	d	0.33	(0.29)
5	Inventory Turnover Ratio	--	Not Applicable	Not Applicable
6	Trade receivables turnover ratio (no. of days)	e	Not Applicable	Not Applicable
7	Trade payables turnover ratio (no. of days)	f	0.38	Not Applicable
8	Net profit ratio	g	4%	Not Applicable
9	Net capital turnover ratio	h	-720%	Not Applicable
10	Return on capital employed (ROCE)	i	16%	Not Applicable
11	Return on Investment (ROI)	j	Not Applicable	Not Applicable

Note 1

- a Current ratio (in times) : Current Assets / Current liabilities
- b Debt - Equity ratio : Total Debt divided by Equity
- c Debt Service Coverage Ratio (DSCR) (no. of times) : Profit before interest, divided by interest expense (net of moratorium interest, interest cost on unwinding (long term unsecured loans) and amortisation of transaction cost) together with repayments of long term debt during the period (netted off to the extent of long term loans availed during the same period for the repayment)
- ROE : Net Profits after taxes - Preference Dividend (if any) / Average Shareholder's Equity
- e Trade receivable turnover ratio: Revenue from operations / Average (Trade receivable and contract assets) * No. of days
- f Trade payables turnover ratio = Net Credit Purchases / Average Trade Payables
- g Net profit margin (in %) : profit after tax / Revenue from operation
- h Net capital turnover ratio = Net Sales / Working Capital
- i ROCE : Earning before interest and taxes / Capital Employed (Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability)
- j Return on Investment (ROI) : $(MV(T1) - MV(T0) - \text{Sum } C(t)) / (MV(T0) + \text{Sum } [W(t) * C(t)])$
T1 = End of time period TO = Beginning of time period
t = Specific date falling between T1 and T0 MV(T1) = Market Value at T1
MV(T0) = Market Value at T0 C(t) = Cash Inflow, cash outflow on specific date
W(t) = Weight of the net cash flow (i.e. either net inflow or net outflow) on day 't', calculated as $(T1 - t) / T1$



28 Significant accounting judgement, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future years.

Estimates and assumptions

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and future years are affected.

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. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Fair value measurement of financial Instruments (Refer note 25)

Taxes

Tax expense comprises of current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961. Deferred income taxes reflects the impact of timing differences between taxable income and accounting income originating during the current period and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets and deferred tax liabilities are offset, if legally enforceable right exists to set-off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities related to the taxes on income levied by same governing taxation laws. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

At each balance sheet date the Company re-assesses unrecognised deferred tax assets. It recognises unrecognised deferred tax assets to the extent that it has become reasonably certain that sufficient future taxable income will be available against which such deferred tax assets can be realised or virtually certain as the case may be.

The carrying amount of deferred tax assets are reviewed at each balance sheet date. The Company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

Minimum alternative tax (MAT) credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay income tax higher than that computed under MAT, during the period that MAT is permitted to be set off under the Income Tax Act, 1961 (specified period). In the period, in which the MAT credit becomes eligible to be recognised as an asset in accordance with the recommendations contained in the guidance note issued by the Institute of Chartered Accountants of India (ICAI), the said asset is created by way of a credit to the Statement of profit and loss and shown as MAT credit entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay income tax higher than MAT during the specified period.

29 Other Statutory Information

- (i) The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (ii) The Company do not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.
- (iii) The Company do not have any transactions with companies struck off.
- (iv) The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (v) The Company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961
- (vi) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
- (vii) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall
 - (a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries;
- (viii) The Company did not have any long-term contracts including derivative contract for which there were any material foreseeable losses.

30 Standards issued but not effective:

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. As at March 31, 2023, MCA has amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below:

Ind AS 1 - Presentation of Financial Statements - This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and the impact of the amendment is insignificant to its financial statements.

Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors - This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its financial statements.

Ind AS 12 - Income Taxes - This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2023. The Company has evaluated the amendment and there is no impact on its financial statement.



31. **Segment Information:**
The Company has identified one business segment in accordance with the Indian Accounting Standard 108 "Operating Segment" notified under Section 133 of the Companies Act, 2013 read together with relevant ruled issued thereunder.

32. **Events after reporting period**
No subsequent event has been observed which may required an adjustment to the balance sheet.

As per our report of even date
For M K P S & Associates
Chartered Accountants
Firm's Regd. No. 302014E


CA. Vasudev Sudarshan Mitta
Partner

Membership No.: 046953



For and on behalf of the Board of Directors of
Chittoor Thachur Highway Private Limited
(CIN : U45400MH2022PTC369357)


Tushar Kawedia
Director and Chief
Financial Officer
DIN : 07733424


Anilabh Murarka
Director
DIN : 08099593


Sudhir Rao Hosang
Chief Executive Officer


Mehul Patel
Company Secretary



Place: Mumbai
Date :

08 MAY 2023

Place: Mumbai
Date :

08 MAY 2023