INDEPENDENT AUDITOR'S REPORT

To,

The Members of IRB Ahmedabad Vadodara Super Express Tollway Private Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of IRB Ahmedabad Vadodara Super Express Tollway Private Limited ("the Company"), which comprise the balance sheet as at March 31, 2023, the statement of Profit and Loss, statement of changes in equity and statement of cash flows for the year then ended and notes to the financial statements, including a summary of 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:

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- 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:

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(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 the requirements of section 197(16) of the Act, as amended we report that, according to the information and explanations given to us and based on our examination of the records of the company, we report that the amount of managerial remuneration paid / provided by the company to its directors (including sitting fees) is in accordance with the provisions of section 197 of the Act.

(h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note 35 to the financial statements;

i) Based on the assessment made by the company, there are no material foreseeable losses on its long-term contracts that may require any provisioning.

ii) In view of there being no amounts required to be transferred to the Investor Education and Protection Fund for the year under audit, the reporting under this clause is not applicable.

iii) 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.

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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.

iv) The company has neither declared nor paid any dividends during the year 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: 23046953BGYNKE3706
Date: 08-05-2023
Place: Mumbai

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Annexure – I to the Independent Auditors Report
Referred to in our report of even date, to the members of IRB Ahmedabad Vadodara Super Express Tollway Private Limited for the year 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) (A) The company is maintaining proper records showing full particulars, including quantitative details and situation with respect to its property, plant and equipment.
(B) The company has maintained proper records showing full particulars of its intangible assets.

(b) The property, plant and equipment of the company have been physically verified by the management at regular intervals, which in our opinion is reasonable considering the size of the company and the nature of its property, plant and equipment. No material discrepancies have been noticed on such verification during the year.

(c) The company does not hold any immovable properties.

(d) The company has not revalued any of its Property, Plant & Equipment and Intangible assets during the year.

(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 year 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 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 other than those stated at para (iii) above. 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.

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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 been specified by the Central Government under sub-section (1) of section 148 of the Act for the company. We have broadly reviewed such records and are of the opinion that prima-facie, the prescribed records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

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.
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 year in the tax assessments under the Income Tax Act, 1961.

ix) (a) According to the information and explanations given to us and as per the books of accounts and records examined by us, in our opinion, the company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us and as represented to us by the management, the company has not been declared as a wilful defaulter by any bank or financial institution or other lender.

(c) In our opinion and according to the information and explanations given to us, no fresh term loans have been taken during the year.

(d) On an overall examination of the financial statements of the company, in our opinion, funds raised on short-term amounting to Rs. 4335.05 million in the current year and Rs. 3520.73 million in the previous year have been prima-facie being used for long term purposes. However, considering the relief provided by Hon'ble High Court, the company is obligated to pay premium to the extent of surplus available with the company as per waterfall mechanism. Considering the same, management is of the view that the same will not result into short term funds to be utilised for long term purposes.

(e) 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

MKPS & ASSOCIATES * FRN 302014E * CHARTERED ACCOUNTANTS or further public offer (including debt instruments) during the year. 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 books of accounts and other records, we report that the company has not made any preferential allotment or private placement of shares and hence the compliance of the requirements of section 42 and section 62 of the Act are not applicable.

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 year, 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 year 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 year and upto 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 in current or the immediately preceding year.

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xviii) There has been no resignation of statutory auditors during the year.

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) The provisions of section 135 of the Act are not applicable to the company for the year under audit and hence the reporting requirements under sub-clause (a) & (b) of clause (xx) of paragraph 3 of the order 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

VSMatta

CA Vasudev Sunderdas Matta
Partner
Membership No.:046953
UDIN: 23046953BGYNKE3706
Date: 08-05-2023
Place: Mumbai

MKPS & ASSOCIATES * FRN 302014E * CHARTERED ACCOUNTANTS

Annexure – II to the Independent Auditors Report
Referred to in our report of even date, to the members of IRB Ahmedabad Vadodara Super Express Tollway 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 IRB Ahmedabad Vadodara Super Express Tollway Private Limited ("the Company") as of March 31, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

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IRB Ahmedabad Vadodara Super Express Tollway Private Limited
Balance Sheet as at March 31, 2023

(Rs. in million)

		Note No.	March 31, 2023	March 31, 2022
I	ASSETS			
(1)	Non-current assets			
a.	Property, plant and equipment	4	1.00	1.59
b.	Other intangibie assets	4	1,84,289.39	1,86,219.18
			1,84,290.39	1,86,220.77
(2)	Current assets			
a.	Financial assets			
	i) Trade receivables	5	318.00	318.00
	ii) Cash and cash equivalents	6	351.69	141.05
	iii) Bank balance other than (ii) above	6	1,067.04	1,155.76
	iv) Other financial assets	7	352.00	311.69
b.	Current tax assets (net)	9	22.67	34.18
c.	Other current assets	8	4.60	45.37
			2,116.00	2,006.05
	TOTAL ASSETS		1,86,406.39	1,88,226.82
II	EQUITY AND LIABILITIES			
(1)	Equity			
a.	Equity share capital	10	3,780.00	3,780.00
b.	Subordinate debt	10	13,141.93	13,141.93
c.	Other equity	10	(9,104.92)	(7,533.36)
			7,817.01	9,388.57
	Liabilities			
(2)	Non-current liabilities			
a.	Financial liabilities			
	i) Borrowings	11	64,012.81	60,240.32
	ii) Other financial liabilities	13	1,06,490.26	1,12,063.16
b.	Provisions	15	725.44	399.35
			1,71,228.51	1,72,702.83
(3)	Current liabilities			
a.	Financial liabilities			
	i) Borrowings	11	1,675.82	1,032.89
	ii) Trade payables	12		
	a) total outstanding dues of micro enterprises and small enterprises		-	2.98
	b) total outstanding dues of creditors other than micro enterp enterprises		189.55	182.58
	iii) Other financial liabilities	13	5,484.51	4,905.25
b.	Other liabilities	14	10.99	11.72
			7,360.87	6,135.42
	Total liabilities		1,78,589.38	1,78,838.25
	TOTAL EQUITY AND LIABILITIES		1,86,406.39	1,88,226.82
	Summary of significant accounting policies	3		

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

As per our report of even date
For MKPS & Associates
Chartered Accountants
Firm Regd No. 302014E

VSMatta

CA Vasudev Sunderdas Matta
Partner
Membership No.:046953

FRN 302014E
MKPS & ASSOCIATES * CHARTERED ACCOUNTANTS *

Place: Mumbai
Date : May 8, 2023

For and on behalf of the Board of Directors of
IRB Ahmedabad Vadodara Super Express Tollway Private Limited
CIN : U45400MH2011PTC218122

Sudhir Rao Hoshing
Director and Chief Executive Officer
DIN: 02460530

D. K. Joshi

Dhananjay Joshi
Director
DIN: 02757916

Tushar Kawedia
Chief Finance Officer

Mehul Patel
Company Secretary

IRB Ahmedabad Vadodara * Super Express Tollway Pvt. Ltd.

Place: Mumbai
Date : May 8, 2023

IRB Ahmedabad Vadodara Super Express Tollway Private Limited

Statement of Profit and Loss for the year ended March 31, 2023

(Rs. in million)

	Note No.	March 31, 2023	March 31, 2022
Income			
Revenue from operations	16	6,334.95	5,365.57
Other income	17	67.84	54.87
TOTAL INCOME		**6,402.79**	5,420.44
Expenses			
Road work and site expenses	18	646.31	541.30
Finance costs	19	5,254.82	4,637.94
Depreciation and amortisation expenses	20	1,930.39	1,563.24
Other expenses	21	142.83	100.40
TOTAL EXPENSES		**7,974.35**	6,842.88
Profit / (loss) before tax		**(1,571.56)**	(1,422.44)
Tax expenses			
Current tax		-	-
Deferred tax		-	-
Total tax expenses		-	-
Profit/(loss) for the year		**(1,571.56)**	(1,422.44)
Other comprehensive income			
Item that will not to be reclassified to profit or loss:			
Re-measurement gains/ (losses) on defined benefit plans	22	-	-
Tax on re-measurement gains/ (losses) on defined benefit		-	-
Total comprehensive income for the year, net of tax		-	-
Total comprehensive income		**(1,571.56)**	(1,422.44)
Earnings per equity share (of Rs. 10 each)	23		
Basic		(4.16)	(3.76)
Diluted		(4.16)	(3.76)
Summary of significant accounting policies	3		

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

As per our report of even date
For MKPS & Associates
Chartered Accountants
Firm Regd No.302014E

FRN 302014E

CA Vasudev Sunderdas Matta
Partner
Membership No.:046953

Place: Mumbai
Date : May 8, 2023

For and on behalf of the Board of Directors of
IRB Ahmedabad Vadodara Super Express Tollway Private Limited
CIN : U45400MH2011PTC218122

D. K. Joshi

Sudhir Rao Hoshing
Director and Chief Executive Officer
DIN: 02460530

Dhananjay Joshi
Director
DIN: 02757916

Tushar Kawedia
Chief Finance Officer

Mehul Patel
Company Secretary

Place: Mumbai
Date : May 8, 2023

IRB Ahmedabad Vadodara Super Express Tollway Pvt Ltd

IRB Ahmedabad Vadodara Super Express Tollway Private Limited
Statement of Cash flows for the year ended March 31, 2023

(Rs. in million)

		March 31, 2023	March 31, 2022
Cash flows from operating activities			
Loss before tax		(1,571.56)	(1,422.44)
Adjustments :			
Depreciation and amortisation expenses		1,930.39	1,563.24
Resurfacing expenses		326.09	227.53
Extinguishment of premium liability		-	(245.35)
Finance costs		5,254.82	4,637.94
Interest Income on			
- Bank deposits		(62.35)	(43.82)
- Others		(2.75)	(0.01)
		5,873.13	4,717.09
Movement in working capital :			
(Increase)/Decrease in loans		-	0.15
(Increase)/Decrease in trade receivables		-	(168.84)
(Increase)/Decrease in other financial assets		(46.99)	180.49
(Increase)/Decrease in other assets		40.77	(29.55)
(Decrease)/Increase in trade payables		3.99	(199.70)
(Decrease)/Increase in other financial liabilities		69.86	45.50
(Decrease)/Increase in provisions		(35.94)	(21.26)
(Decrease)/Increase in other liabilities		(0.73)	(7.15)
Cash generated from operations		**5,904.09**	4,516.73
Taxes paid (net)		11.52	(13.97)
Net cash flows generated from operating activities	**A**	**5,915.61**	4,502.76
Cash flows from investing activities			
Addition to intangible assets including capital advances		(2,226.92)	(962.24)
Purchase of property, plant and equipment		-	(1.43)
Bank deposits placed (having original maturity of more than three months)		88.72	-
Interest received		71.78	43.77
Net cash flows (used in) investing activities	**B**	**(2,064.91)**	(919.90)
Cash flows from financing activities			
Repayment of long-term borrowings from Banks and Financial Institutions		(1,076.53)	(860.18)
Finance cost paid		(2,563.53)	(2,782.33)
Net cash flows generated from financing activities	**C**	**(3,640.06)**	(3,642.51)
Net decrease in cash and cash equivalents	**(A+B+C)**	**210.64**	(59.65)
Cash and cash equivalents at the beginning of the year		141.05	200.70
Cash and cash equivalents at the end of the year (refer note 6)		**351.69**	141.05
Reconciliation of cash and cash equivalents as per cash flow statements			
Cash and cash equivalents		351.69	141.05
Balance as per statement of cash flows		**351.69**	141.05
Components of Cash and Cash Equivalents			
Balances with Banks			
On escrow current accounts		176.40	103.13
On deposit accounts		170.00	33.51
Cash on hand		5.29	4.41
Total Cash and cash equivalents (refer note 6)		**351.69**	141.05
Debt reconciliation statement in accordance with Ind AS 7			
Opening balances			
Long term borrowings		54,137.32	51,306.62
Short term borrowings		-	-
Movements			
Long term borrowings		2,004.64	2,830.70
Short term borrowings		-	-
Closing balances			
Long term borrowings		56,141.96	54,137.32
Short term borrowings		-	-

Summary of significant accounting policies (refer note 3)
The accompanying notes are an integral part of these 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 Consolidated 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 MKPS & Associates
Chartered Accountants
Firm Regd No.302014E

CA Vasudev Sunderdas Matta
Partner
Membership No.:046953

Place: Mumbai
Date : May 8, 2023

For and on behalf of the Board of Directors of
IRB Ahmedabad Vadodara Super Express Tollway Private Limited
CIN : U45400MH2011PTC218122

Sudhir Rao Hoshing
Director and
Chief Executive Officer
DIN: 02460530

Dhananjay Joshi
Director
DIN: 02757916

Tushar Kawedia
Chief Finance Officer

Mehul Patel
Company Secretary

Place: Mumbai
Date : May 8, 2023

IRB Ahmedabad Vadodara Super Express Tollway Private Limited
Statement of changes in Equity for the year ended March 31, 2023

(Rs. in million)

		March 31, 2023	March 31, 2022
a.	**Equity Share Capital**		
	Equity shares of Rs. 10 each issued, subscribed and fully paid		
	At the beginning of the year	3,780.00	3,780.00
	Increase / (decrease) during the year	-	-
	At the end of the year	**3,780.00**	3,780.00
b.	**Subordinated debt (unsecured and interest free)**		
	At the beginning of the year	13,141.93	13,141.93
	Increase / (decrease) during the year	-	-
	At the end of the year	**13,141.93**	13,141.93

c. **Other Equity**

	Retained Earnings	Re-measurement of net defined benefit Plans	Total
As at March 31, 2022	**(7,533.36)**	-	**(7,533.36)**
Profit / (Loss) for the year	(1,571.56)	-	(1,571.56)
Other comprehensive income for the year	-	-	-
Transfer to retained earnings	-	-	-
Total comprehensive income for the year	**(1,571.56)**	-	**(1,571.56)**
As at March 31, 2023	**(9,104.92)**	-	**(9,104.92)**

As at March 31, 2021	(6,107.74)	(3.18)	(6,110.92)
Profit / (Loss) for the year	(1,422.44)	-	(1,422.44)
Other comprehensive income for the year	-	-	-
Transfer to retained earnings	(3.18)	3.18	-
Total comprehensive income for the year	(1,425.62)	3.18	(1,422.44)
As at March 31, 2022	(7,533.36)	-	(7,533.36)

Summary of significant accounting policies 3

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

As per our report of even date
For MKPS & Associates
Chartered Accountants
Firm Regd No. 302014E

CA Vasudev Sunderdas Matta
Partner
Membership No.:046953

Place: Mumbai
Date : May 8, 2023

For and on behalf of the Board of Directors of
IRB Ahmedabad Vadodara Super Express Tollway Private Limited
CIN : U45400MH2011PTC218122

FRN 302014E

D. K. Joshi

Sudhir Rao Hoshing
Director and Chief Executive Officer
DIN: 02460530

Dhananjay Joshi
Director
DIN: 02757916

Tushar Kawedia
Chief Finance Officer

Mehul Patel
Company Secretary

Place: Mumbai
Date : May 8, 2023

IRB Ahmedabad Vadodara Super Express Tollway Private Limited
Notes to Financial Statement for the year ended March 31, 2023

1 Corporate Information

IRB Ahmedabad Vadodara Super Express Tollway Private Limited ('IRBAV' or 'the Company') is a company incorporated on May 31, 2011. The Company has been awarded the contract of development, in respect of the work of design, build, finance & operation of Six Laning of Ahmedabad to Vadodara Section of NH 8 from Km.6.400 to Km.108.700 in the state of Gujarat and improvement of existing Ahmedabad Vadodara expressway from Km.0.000 to Km.93.302 in the state of Gujarat under NHDP Phase V on Design Built Finance Operate & Transfer (DBFOT) basis.

The Company is a subsidiary of IRB Infrastructure Developers Limited (IRBIDL). IRBIDL being a public company, accordingly, the Company has also become a public company in accordance with the provisions of the Companies Act, 2013.
The registered office is loacated at 1101, 11th Floor, Hiranandani Knowledge Park, Technology Street, Opp Hiranandani Hospital, Powai, Mumbai – 400 076.
The financial statements were authorised for issue in accordance with a resolution of the directors on May 8, 2023.
Details of the Company's accounting policies are included in Note 3. The accounting policies set out below have been applied consistently to the years presented in the standalone financial statements.

2 Basis of preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.
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.
The financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities (refer accounting policy 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 realised 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 Foreign currencies

The Company financial statements are presented in INR, which is also the company's functional currency.

Transactions and balances
Transactions in foreign currencies are initially recorded by the Company at their respective functional currency spot rates at the date the transaction first qualifies for recognition.Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in profit or loss with the exception of the following:-
Under Ind AS 21 exchange differences arising on translation/settlement of non-monetary item should be treated as income or loss in Statement of profit & loss.However, Ind AS 101 gives an exemption for existing long term foreign currency non-monetary items the company can continue the policy adopted for treatment of exchange differences arising on long-term foreign currency monetary items pertaining to the acquisition of a depreciable asset for items recognized on or before March 31, 2015.For any new long term foreign currency non-monetary item recognized from or after first Ind AS financial reporting period, deferral/amortization of exchange difference will not be allowed, rather the company will apply Ind AS 21 for recognition of gains and losses.

3.03 Fair value measurement

Financial instruments are recognised when the Company becomes a party to the contractual provisions of the instrument. Fair value measurement is given in Note 27
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.

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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.

3.04 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

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

Toll revenue

The income from Toll collection is recognised on the actual collection of toll revenue.

Contract revenue (construction contracts)

Contract revenue associated with the utility shifting incidental to construction of road are recognized 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.

Claim Revenue

Claims are recognised as revenue as per relevant terms of the concession agreement with the authority when it is probable that such claims will be accepted by the customer that can be measured reliably.

Interest income

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 country 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 year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax 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 as sets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

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Minimum Alternate Tax (MAT)

Minimum Alternate Tax (MAT) paid as per Indian Income Tax Act, 1961 is in the nature of unused tax credit which can be carried forward and utilised when the Company will pay normal income tax during the specified period. Deferred taxassets on such tax credit is recognised to the extent that it is probable that the unused tax credit can be utilised in thespecified future period. The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

3.06 Property, plant and equipment

The Company has elected to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost in accordance with the exemption provided under IND AS 101.

Capital work in progress, plant and equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any such cost includes the cost of replacing part of the plant and equipment and borrowing its for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

Depreciation on property, plant and equipment is calculated on a WDV basis using the rates arrived at based on the useful lives estimated by the management which coincides with the rates as per Schedule II of the Companies Act, 2013. The useful life of major assets are as under :

Asset class	- Useful life
Office equipment	- 5 years
Computers	- 3 years
Furniture & fixtures	- 10 years

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

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

3.07 Intangible assets

The Company has elected to continue with the carrying value for all of its intangible assets as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost in accordance with the exemption provided under IND AS 101.

Under the Concession Agreements, where the Company has received the right to charge users of the public service, such rights are recognised and classified as "Intangible Assets". Such right is not an unconditional right to receive consideration because the amounts are contingent to the extent that the public uses the service and thus are recognised and classified as intangible assets. Such an intangible asset is recognised by the Company at cost (which is the fair value of the consideration received or receivable for the construction services delivered) and is capitalized when the project is complete in all respects and when the companies receives the completion certificate from the authority as specified in the Concession Agreement.

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred.

Toll Collection Rights

The Company exercised first time adoption exemption under Ind AS 101 and has elected to continue with the carrying value of its "Toll Collection Rights" (Intangible Assets), as recognised in the financial statements as at the date of transition measured as per the previous GAAP and uses that as its deemed cost as at date of transition.

Toll collection rights are stated at cost net of accumulated amortisation and impairment losses. Cost includes:

Toll Collection Rights awarded by the grantor against construction service rendered by the company on DBFOT basis - Direct and indirect expenses on construction of roads, bridges, culverts, infrastructure and other assets at the toll plazas.

Toll Collection Rights are amortised over the period of concession, using revenue based amortisation as per Exemption provided in Ind AS 101. Under this method, the carrying value of the rights is amortised in the proportion of actual toll revenue for the year to projected revenue for the balance toll period, to reflect the pattern in which the assets economic benefits will be consumed. At each balance sheet date, the projected revenue for the balance toll period is reviewed by the management. If there is any change in the projected revenue from previous estimates, the amortisation of toll collection rights is changed prospectively to reflect any changes in the estimates.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

Intangible assets are assessed for impairment whenever there is an indication that the intangible asset may be impaired.

Amortisation of toll equipments :

Toll equipments are amortized on a straight line basis over the estimated useful economic life not exceeding seven years.

3.08 Premium Obligation

As per the service concession agreement, the Company is obligated to pay the annual fixed amount of premium to National Highway Authorities of India (NHAI). This premium obligation has been capitalized as Intangible Asset given it is paid towards getting the right to earn revenue by constructing and operating the roads during the concession period. Hence, total premium payable as per the service concession agreement has been upfront capitalized at fair value of the obligation at the date of transition.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

Intangible assets are assessed for impairment whenever there is an indication that the intangible asset may be impaired.

3.09 Borrowing costs

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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.

3.1 Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

For arrangements entered into prior to 1 April 2015, the Company has determined whether the arrangement contain lease on the basis of facts and circumstances existing on the date of transition.

Company as a lessee

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease.A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term.

3.11 Premium Deferment

Premium Deferral (i.e. premium payable less paid after adjusting premium deferment) is aggregated under premium deferred obligation in the balance sheet. The interest payable on the above is aggregated under premium deferral obligation. Interest on premium deferral is capitalised during the construction period and thereafter charged to the statement of profit and loss.

3.12 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 Companys of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

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.

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

3.13 Resurfacing expenses

As per the Concession Agreement, the company is obligated to carry out resurfacing of the roads under concession. The company estimates the likely provision required towards resurfacing and accrues the cost on a straight line basis over the period at the end of which resurfacing would be required, in the statement of profit and loss in accordance with Ind AS 37 "Provisions, Contingent Liabilities and Contingent Assets."

3.14 Contingent liabilities & Contingent Assets

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by 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.

A contingent assets is not recognised unless it becomes virtually certain that an inflow of economic benefits will arise.When an inflow of economic benefits is probable, contigent assets are disclosed in the financial statements.

Contingent liabilities and contingent assets are reviewed at each balance sheet date.

3.15 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.Provisions are reviewed at each balance sheet and adjusted to reflect the current best estimates.

3.16 Retirement and other employee benefits

i. Defined contribution plan

Retirement benefits in the form of provident fund,Pension Fund and Employees state Insurance Fund are a defined contribution scheme and the contributions are charged to the Statement of profit and loss of the period when the employee renders related services. There are no other obligations other than the contribution payable to the respective authorities.

ii. Defined benefit plan

Gratuity liability for eligible employees are defined benefit obligation and are provided for on the basis of an actuarial valuation on projected unit credit method made at the end of each financial year. Obligation is measured at the present value of estimated future cash flows using discounted rate that is determined by reference to market yields at the balance sheet date on Government Securities where the currency and terms of the Government Securities are consistent with the currency and estimated terms of the defined benefit obligation.

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Remeasurements, comprising of actuarial gains and losses excluding amounts included in net interest on the net defined benefit liability are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

iii. Leave encashment

As per the leave encashment policy of the company, the employees have to utilise their eligible leave during the calendar year and lapses at the end of the calendar year. Accrual towards compensated absences at the end of the financial year are based on last salary drawn and outstanding leave absence at the end of the financial year.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

> Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and

> Net interest expense or income

3.17 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.

Debt instruments at amortised cost

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

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

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

Debt instrument at FVTOCI

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

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the Profit and Loss. On de-recognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instrument at FVTPL

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

In addition, the company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The company has designated certain debt instrument as at FVTPL.

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

Equity investments

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

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

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

De-recognition

A financial asset (or, where applicable, a part of a financial asset or part of a company of similar financial assets) is primarily de-recognised (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 delay 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.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the company could be required to repay.

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Impairment of financial assets

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 18 (referred to as 'contractual revenue receivables' in these financial statements)

e) Financial guarantee contracts which are not measured as at FVTPL

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

- Trade receivables and
- Other receivables

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

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

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

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

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.
- Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the company does not reduce impairment allowance from the gross carrying amount.

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, or payables, as appropriate.

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, financial guarantee contracts and derivative financial instruments.

Subsequent measurement

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

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109.

Gains or losses on liabilities held for trading are recognised in the statement of profit and loss.

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. Gains and losses are recognised in profit or loss when the liabilities are de-recognised as well as through the EIR amortisation process.

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

This category generally applies to borrowings. For more information refer Note 11.

Financial guarantee contracts

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

De-recognition

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 de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the standalone 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.

Derivative financial instruments

Initial recognition and subsequent measurement

The Company uses derivative financial instruments, such as forward currency contracts, full currency swaps and interest rate swaps contracts to hedge its foreign currency risks and interest rate risks respectively. 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.

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3.18 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.

3.19 Segment information

Based on "Management Approach" as defined in Ind AS 108 -Operating Segments, the management evaluates the Company's performance and allocates the resources based on an analysis of various performance indicators by business segments. Inter segment sales and transfers are reflected at market prices.
Unallocable items includes general corporate income and expense items which are not allocated to any business segment.
Segment Policies :

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole. Common allocable costs are allocated to each segment on an appropriate basis.
The Company is engaged in "Road Infrastructure Projects" which in the context of Ind AS 108 "Operating Segment" notified under section 133 of the Companies Act, 2013 is considered as the only segment. The Company's activities are restricted within India and hence no separate geographical segment disclosure is considered necessary.

3.20 Earnings per share

The Company reports basic and diluted earnings per share in accordance with Ind AS 33 on Earnings per share. Baic earnings per share is computed by dividing the net profit or loss for the period by 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.

3.21 Recent Accounting Pronouncements

(i) 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.

(ii) 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.

(iii) 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.

(iv) 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 amendment to have any significant impact on its Standalone financial statements.

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Ahmedabad Vadodara * Super Express Tollway Pvt. Ltd.

IRB Ahmedabad Vadodara Super Express Tollway Private Limited
Notes to Financial Statement for the year ended March 31, 2023
Note 4 : Property,Palnt and Equipment

(Rs. in millions)

Particulars	Furniture and fixtures		Office equipments		Computer system		Total	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Gross block								
Opening Balance	0.83	0.64	4.16	2.92	1.90	1.90	6.90	5.47
Add: Additions	-	0.19	-	1.24	-	-	-	1.43
Less: Adjustments	-	-	-	-	-	-	-	-
Closing balance	**0.83**	**0.83**	**4.16**	**4.16**	**1.90**	**1.90**	**6.90**	**6.90**
Depreciation								
Opening balance	0.63	0.59	2.89	2.64	1.79	1.77	5.31	5.00
Additions	0.05	0.04	0.53	0.25	0.01	0.02	0.59	0.31
Less: Deductions/adjustments	-	-	-	-	-	-	-	-
Closing balance	**0.68**	**0.63**	**3.42**	**2.89**	**1.80**	**1.79**	**5.90**	**5.31**
Net block	**0.15**	**0.20**	**0.74**	**1.27**	**0.10**	**0.11**	**1.00**	**1.59**

Property, Plant and Equipment given as security
Plant and Equipment are subject to first charge to secured long term borrowings from the lenders.

Note 4 : Other Intangible assets

(Rs. in millions)

Particulars	Toll Collection Rights		Premium to NHAI		Toll Equipments		Total Intangible Assets	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Gross block								
Opening balance	47,251.68	47,251.68	1,48,805.83	1,48,805.83	119.70	112.07	1,96,177.21	1,96,169.58
Additions	-	-	-	-	0.01	7.63	0.01	7.63
Adjustments	-	-	-	-	-	-	-	-
Closing balance	**47,251.68**	**47,251.68**	**1,48,805.83**	**1,48,805.83**	**119.71**	**119.70**	**1,96,177.22**	**1,96,177.21**
Depreciation / Amortisation								
Opening balance	2,286.54	1,913.34	7,575.81	6,403.62	95.67	78.13	9,958.03	8,395.10
Additions	462.73	373.20	1,453.37	1,172.19	13.71	17.54	1,929.80	1,562.93
Adjustments	-	-	-	-	-	-	-	-
Closing balance	**2,749.27**	**2,286.54**	**9,029.18**	**7,575.81**	**109.38**	**95.67**	**11,887.83**	**9,958.03**
Net block	**44,502.41**	**44,965.14**	**1,39,776.65**	**1,41,230.02**	**10.33**	**24.03**	**1,84,289.39**	**1,86,219.18**

Intangible assets given as security
Intangible assets include toll equipments and are subject to first charge to secured long term borrowings from the lenders.

(Rs. in million)

	March 31, 2023	March 31, 2022
Financial assets		
Note 5 : Trade receivable		
(Unsecured, considered good, unless otherwise stated)		
Trade receivables - related parties (refer note 29)	-	-
Trade receivables - others	318.00	318.00
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - credit impaired	-	-
Total	**318.00**	**318.00**

1. Trade receivables are non-interest bearing. undisputed and are generally on terms of 30 to 90 days.
2. No trade or other receivables are due from directors or other officers of the Company either severally or jointly with any other person.
Nor any trade or other receivables are due from firms or private companies respectively in which any director is a partner, a director or a member.
3. The Company has not identified any credit impairment loss as at March 31, 2023 and March 31, 2022
4. For explanations on the Company's financial risk management processes and trade receivable ageing, refer to note 29

Note 6 : Cash and cash equivalent

	March 31, 2023	March 31, 2022
Cash on hand	5.29	4.41
Balances with banks:		
- In current accounts	32.78	35.65
- In escrow accounts *	143.62	67.48
Deposits with banks		
- Maturity less than 3 months	170.00	33.51
Total	**351.69**	**141.05**

	March 31, 2023	March 31, 2022
Other bank balances		
Debt service reserve account with banks /earmarked balance		
-Maturity more than 3 months but less than 12 month	1,067.04	1,155.76
Total	**1,067.04**	**1,155.76**

Debt service reserve account/ major maintenance reserve account and trust, retention and other escrow accounts

Short-term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Company and earn interest at the respective short-term deposit rates. Debt service deposits earn interest from at the rate of 3.70% p.a. to 7.75% p.a. (March 31, 2022 :3.70% p.a. to 3.75% p.a.) respective term deposit rates. The deposits maintained by the Company with the bank comprise time deposits, which are held in DSRA accounts as a security to the lenders as per the Common Loan Agreement which can be withdrawn by the Company at any point with prior notice and without penalty on the principal.

* First charge on above to the extent of amount payable as per the waterfall mechanism as defined in the Concession Agreement/ Common Loan Agreement.

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	March 31, 2023	(Rs. in million) March 31, 2022

For the purpose of the statement of cash flows, cash and cash equivalents comprise the following:

	March 31, 2023	(Rs. in million) March 31, 2022
Cash on hand	5.29	4.41
Balances with scheduled banks		
- On Current Account	32.78	35.65
- On Escrow Account	143.62	67.48
Deposits with banks		
- Maturity less than 3 months	170.00	33.51
Total cash and cash equivalents	**351.69**	**141.05**

Note 7 : Other financial assets

(Unsecured, considered good, unless otherwise stated)

Current		
Interest accrued on fixed deposits	1.15	6.59
Interest receivable from banks	-	1.24
BG margin receivable		
- related parties (refer note 33)	21.00	166.34
Other receivables		
- related parties (refer note 33)	288.25	111.02
- other parties	18.33	15.78
Security and other deposits	10.72	10.72
Other receivable from NHAI	12.55	-
Total	**352.00**	**311.69**

There is no amount due from director, other officer of the Company or firms in which any director is a partner or private companies in which any director is a director or member at anytime during the reporting period.

Note 8 : Other current assets

(Unsecured, considered good, unless otherwise stated)

Advance given to suppliers - others	-	0.23
Prepaid expenses	4.60	45.14
Total	**4.60**	**45.37**

Note 9 : Current tax assets (net)

Advance income tax (net of tax provision Rs. Nil) (March 31, 2022: Rs. Nil)	22.67	34.18
Total	**22.67**	**34.18**

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Note 10 : Equity

(Rs. in million)

	March 31, 2023	March 31, 2022
Equity share capital		
378,000,000 (March 31, 2022 : 378,000,000) equity shares of Rs.10 each	**3,780.00**	3,780.00

	March 31, 2023	March 31, 2022
Issued, subscribed and paid up equity share capital		
Equity share of Rs. 10 each issued, subscribed and fully paid up		
At the beginning of the year	3,780.00	3,780.00
Increase / (decrease) during the year	-	-
At the end of the year	**3,780.00**	3,780.00

a. Reconciliation of shares outstanding at the beginning and at the end of the reporting year.
Equity shares of Rs. 10 each issued, subscribed and fully paid.

	March 31, 2023		March 31, 2022	
	No. of shares	(Rs. in million)	No. of shares	(Rs. in million)
At the beginning and at the end of the year	37,80,00,000	3,780.00	37,80,00,000	3,780.00

b. Details of shareholders holding more than 5% shares in the company

Promotor & promotor Group	As at March 31, 2023		As at March 31, 2022		% Change during the year
	No. of shares	%	No. of shares	%	
IRB Infrastructure Developers Limited (Holding Company)	37,80,00,000	100%	37,80,00,000	100%	-
Total	**37,80,00,000**	**100%**	37,80,00,000	100%	-

c. 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.

The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend, if any.

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.

As per records of the Company, including its register of shareholders / members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

B . Subordinated debt	March 31, 2023	March 31, 2022
At the beginning of the year	13,141.93	13,141.93
At the beginning and at the end of the year	13,141.93	13,141.93

C . Other Equity		
1. Retained earnings		
At the beginning of the year	(7,533.36)	(9,086.86)
Profit for the year	(1,571.56)	(1,422.44)
Less : Appropriations		
Transfer from Other comprehensive income		
- Re-measurement (loss) on defined benefit plans (net of taxes)	-	(3.18)
- Fair value measurement of long-term borrowing (unsecured and interest free)	-	2,979.12
Total retained earnings	**(9,104.92)**	**(7,533.36)**
2. Other comprehensive income/(loss)		
a. Re-measurement gains/ (losses) on defined benefit plans		
At the beginning of the year	-	(3.18)
Increase/(decrease) during the year	-	-
Transfer to retained earnings	-	3.18
At the end of the year	-	-
Fair value measurement of long-term borrowing (unsecured and interest free)		
At the beginning of the year	-	2,979.12
Increase/(decrease) during the year	-	-
Transfer to retained earnings	-	(2,979.12)
At the end of the year	-	-
Total Other comprehensive income/(loss) (a+b)	-	-
Total Other Equity (A+B)	(9,104.92)	(7,533.36)

a) Securities Premium - Where the Company issues shares at a premium, whether for cash or otherwise, a sum equal to the aggregate amount of the premium received on those shares shall be transferred to "Securities Premium".

b) Capital Reserve - The excess of net assets taken over the cost of consideration paid is treated as capital reserve on account of consolidation.

c) General Reserve - The Company has transferred a portion of the net profit of the Company before declaring dividend to general reserve pursuant to the earlier provisions of Companies Act, 1956. Mandatory transfer to general reserve is not required under the Companies Act, 2013.

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

e) Equity investments through OCI: This represents the cumulative gains or losses arising on investments in equity instruments designated at fair value through other comprehensive income.

f) Remeasurements of defined benefit liability / (asset) through OCI : Remeasurements of defined benefit liability / (asset) comprises actuarial gains and losses and return on plan assets (excluding interest income).

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(Rs. in million)

	March 31, 2023	March 31, 2022
Financial liabilities		
Note 11 : Borrowings		
Non-current		
Secured		
Term Loans		
Indian rupee loan from banks	22,778.60	23,627.67
Less: Current maturities	(1,289.94)	(791.72)
Sub Total (a)	**21,488.66**	22,835.95
Indian rupee loan from financial institutions	1,965.31	2,047.73
Less: Current maturities	(116.15)	(73.51)
Sub Total (b)	**1,849.16**	1,974.22
Non-convertible debentures - Others	4,144.50	4,289.54
Less: Current maturities - Others	(229.17)	(142.76)
Sub Total (c)	**3,915.33**	4,146.78
Less : Unamortised transaction cost **(d)**	(70.19)	(80.33)
Sub Total (e=a to d)	**27,182.96**	28,876.62
Unsecured		
Loan from related parties (refer note 33)		
- interest free	1,870.63	1,636.19
Interest payable on premium deferment	9,495.97	7,100.85
Deferred premium obligation	25,463.25	22,626.66
Sub Total (f)	**36,829.85**	31,363.70
Total (e+f)	**64,012.81**	60,240.32

Note 11 : Borrowings

Current

	March 31, 2023	March 31, 2022
Current maturities of long-term borrowings		
- Indian rupee loan from banks	1,289.94	791.72
- Indian rupee loan from financial institutions	116.15	73.51
- Non-convertible debentures	229.17	142.76
Unamortized transaction cost	(10.14)	(10.14)
Interest accrued but not due on secured borrowings	50.70	35.04
Total	**1,675.82**	1,032.89

1. Secured Term loans :

i) Secured by first charge on the movable / immovable asset by way of mortgage / hypothecation, first charge on all intangible assets, present and future, save and except the project assets and the first charge on borrower's account, including but not limited to the Escrow Account and the Sub-Accounts (or any account in substitution thereof), funds deposited from time to time (including reserves), permitted investments or other securities representing all amounts credited to the Escrow Account and receivables to the extent of the waterfall of priority of payments to the lenders under Escrow Account agreement.

ii) Pledge of shares held by the major shareholder aggregating 51% of the total paid-up equity share capital of the Company.

iii) First charge on the Escrow Account, Debt Service Reserve Account and any other reserves and other bank accounts of the Company.

iv) an irrevocable and unconditional corporate guarantee from IRB Infrastructure Developers Limited to meet shortfall (if any) between debt due and termination payments received from NHAI in case of termination of Concession Agreement for any reason.

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IRB Ahmedabad Vadodara Super Express Tollway Pvt. Ltd.

	March 31, 2023	(Rs. in million) March 31, 2022

Interest rate and repayment terms

iv) Rate of interest on indian rupee loan from banks and financial institutions is fixed at base rate and initial spread p.a. payable monthly upto initial reset date, term loan repayable in 165 monthly structured instalments w.e.f. January 31, 2017 as specified in the repayment schedule of the term loan agreement.

2. Deferred Premium Obligation

National Highways Authority of India has approved deferment of premium obligation which carries interest rate @2% above the RBI bank rate. Bank guarantee has been provided to NHAI. The repayment is in accordance with the cash surplus accruing to the Company over the concession period.

92'00

3. Non-convertible debentures

45,000 Secured, redeemable, non-convertible debentures issued by IRBAV ('Issuer') of a face value of Rs. 1,00,000/- each on a private placement basis having rate of interest 8.75% aggregating to Rs 4,500.00 million, redeemable in 154 installments commencing from March 31, 2018 as per the schedule provided in Debenture Trust Deed.

4. Unsecured loans from related parties

The unsecured loans taken from holding company and fellow subsidiary company which is repayable on agreed terms and interest free.

Note 12 : Trade Payables

	March 31, 2023	March 31, 2022
Current		
a) total outstanding dues of micro enterprises and small enterprises (refer note 26)	-	2.98
b) Total outstanding dues of creditors other than micro and small enterprises		
- related parties (refer note 33)	182.33	170.45
- others	7.22	12.13
Total	**189.55**	185.56

Terms and conditions of the above financial liabilities:
Trade payables are non-interest bearing and are normally settled on 90 day terms.

Note 13 : Other financial liabilities

	March 31, 2023	March 31, 2022
Non-current		
Premium obligation / negative grant to NHAI	1,06,490.26	1,12,063.16
Total	**1,06,490.26**	1,12,063.16
Current		
Premium obligation / negative grant to NHAI	5,295.20	4,785.80
Due to directors (refer note 33)	-	0.01
Retention money payable		
- related parties (refer note 33)	25.11	12.56
- others	13.68	14.09
Deposit (POS)	0.45	0.45
Other payable to NHAI	150.07	92.34
Total	**5,484.51**	4,905.25

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	March 31, 2023	March 31, 2022
		(Rs. in million)

Note 14 : Other current liabilities

	March 31, 2023	March 31, 2022
Current		
Statutory dues payable (including TDS, GST & others)	10.99	11.72
Total	**10.99**	11.72

Note 15 : Provisions

	March 31, 2023	March 31, 2022
Non-current		
Major maintenance expenses	725.44	399.35
Total	**725.44**	399.35

The above provisions are based on current best estimation of expenses that may be required to fulfill the resurfacing obligation as per the service concession agreement with the National Highways Authority of India. It is expected that significant portion of these costs will be incurred within five years from the balance sheet date. The actual expense incurred at the end of the period may vary from the above. No reimbursements are expected from any sources against the above obligation.

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IRB Ahmedabad Vadodara Super Express Tollway Pvt. Ltd.

IRB Ahmedabad Vadodara Super Express Tollway Private Limited
Profit and loss statement for the year ended March 31, 2023

(Rs. in million)

	March 31, 2023	March 31, 2022
Note 16 : Revenue from operations		
Contract Revenue	-	8.48
Income from toll collection	6,452.34	5,254.16
Revenue share to NHAI- Fastag	(117.39)	(142.42)
Other operating revenue	-	245.35
Total	**6,334.95**	5,365.57
Disaggregated revenue information		
Income from services (Revenue from contracts with Customers)		
Income from toll collection	6,334.95	5,111.74
Contract Revenue (from NHAI - Utility shifting)	-	8.48
Total revenue from contracts with customers	**6,334.95**	5,120.22

Performance obligation

Income from toll collection

The performance obligation in service of toll collection is recorded as per rates notified by NHAI .

Contract Revenue

The performance obligation under contractual agreements is due on completion of work as per terms of contracts.

	March 31, 2023	March 31, 2022
Note 17 : Other income		
Interest income on		
Bank deposits	62.35	43.82
Others	2.75	0.01
Gain on sale of investment	1.51	-
Other non-operative income	1.23	11.04
Total	**67.84**	54.87
Note 18 : Road work and site expenses		
Contract expenses	-	7.81
Operation and maintenance expenses (refer note 33)	641.95	533.49
Technical consultancy & supervision charges	4.36	-
Total	**646.31**	541.30
Note 19 : Finance costs		
Interest expense		
- Term loan from bank / financial institutions	2,204.54	2,352.11
- Debentures	370.93	414.28
- on premium deferment	2,395.12	1,610.46
- Interest unwinding on loan/retention money (refer note 33)	270.37	245.48
Amorisation of transaction cost	10.14	10.14
Other finance costs	3.72	5.47
Total	**5,254.82**	4,637.94
Note 20 : Depreciation and amortisation expenses		
Depreciation on property, plant and equipment	0.59	0.31
Amortisation on intangible assets	1,929.80	1,562.93
Total	**1,930.39**	1,563.24
Note 21 : Other expenses		
Rates & taxes	7.02	6.48
Membership & subscriptions	0.02	-
Directors sitting fees	0.12	0.12
Legal and professional fees	132.84	93.29
Payment to auditor (refer note below)	1.14	0.50
Miscellaneous expenses	1.49	0.01
Bank charges	0.06	-
Insurance	0.14	-
Total	**142.83**	100.40
Payment to auditor (including GST)		
- Statutory audit fees	0.47	0.31
- Limited review fees	0.44	0.12
- Other services (certification fees)	0.23	0.07
	1.14	0.50

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IRB Ahmedabad Vadodara Super Express Tollway Private Limited
Notes to Financial Statement for the year ended March 31, 2023

Note 22 : Gratuity and other post employment benefit plans

(a) Defined contribution plan

The following amount recognised as an expense in Statement of profit and loss on account of provident fund and other funds. There are no other obligations other than the contribution payable to the respective authorities.

(Rs. in million)

	March 31, 2023	March 31, 2022
Contribution in Defined Plan	-	-

(b) Defined benefit plan

The Group has a unfunded defined benefit gratuity plan. The gratuity plan is governed by the Payment of Gratuity Act, 1972. Under the act, employee who has completed five years of service is entitled to specific benefit. The level of benefits provided depends on the member's length of service and salary at retirement age. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service as per the provision of the Payment of Gratuity Act, 1972

The following tables summarise the components of net benefit expense recognised in the Statement of Profit and Loss and the funded status and amounts recognised in the balance sheet for the Gratuity plan.

(Rs. in million)

	March 31, 2023	March 31, 2022
Statement of profit and loss		
Net employee benefit expense recognised in the employee cost		
Current service cost	-	-
Past service cost	-	-
Interest cost on benefit obligation	-	-
(Gain) / losses on settlement	-	-
Net benefit expense	-	-
Amount recorded in Other Comprehensive Income (OCI)		
Opening amount recognised in OCI outside statement of profit and loss	-	3.18
Remeasurement during the year due to :	-	
Actuarial loss / (gain) arising from change in financial assumptions	-	-
Actuarial loss / (gain) arising from change in demographic assumptions	-	-
Actuarial loss / (gain) arising on account of experience changes	-	-
Transfer for retained earning	-	(3.18)
Amount recognised in OCI outside statement of profit and loss	-	(3.18)
Closing amount recognised in OCI outside profit and loss statement	-	-
Reconciliation of net liability		
Opening defined benefit liability	-	9.76
Expense charged to statement of profit and loss	-	-
Actual benefits paid	-	-
On account of inter group transfer	-	(9.76)
Amount recognised in outside statement of profit and loss	-	-
Closing net defined benefit liability	-	-
Changes in the present value of the defined benefit obligation are as follows:		
Opening defined benefit obligation		9.76
Current service cost		-
Past service cost		
Interest on defined benefit obligation		-
Remeasurement during the period due to :		-
Actuarial (gain)/ arising from change in financial assumptions		-
Actuarial loss arising from change in demographic assumptions		-
Actuarial loss arising on account of experience changes		-
Benefits paid		-
On account of inter group transfer		(9.76)
Closing defined benefit obligation		-

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Notes to Financial Statement for the year ended March 31, 2023

Net liability is bifurcated as follows :

Current	-	-
Non-current	-	-
Net liability	-	-

The principal assumptions used in determining gratuity benefit obligation for the Company's plans are shown below:

(Rs. in million)

	March 31, 2023	March 31, 2022
Discount rate	N.A.	N.A.
Expected rate of return on plan assets (p.a.)	N.A.	N.A.
Salary escalation	N.A.	N.A.
Mortality pre-retirement	N.A.	N.A.

A quantitative analysis for significant assumption is as shown below:

Indian gratuity plan:	N.A.	N.A.

Assumptions -Discount rate

(Rs. in million)

	March 31, 2023	March 31, 2022
Sensitivity Level	N.A.	N.A.
Impact of Increase in 50 bps on defined benefit obligation	N.A.	N.A.
Impact of Decrease in 50 bps on defined benefit obligation	N.A.	N.A.
Assumptions - Salary Escalation rate	N.A.	N.A.
Sensitivity Level		
Impact on defined benefit obligation	N.A.	N.A.
Impact of Increase in 50 bps on defined benefit obligation	N.A.	N.A.
Impact of Decrease in 50 bps on defined benefit obligation	N.A.	N.A.

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

The gratuity liabilities of the Company are unfunded and hence there are no assets held to meet the liabilities.

The following payments are expected contributions to the defined benefit plan in future years

(Rs. in million)

	March 31, 2023	March 31, 2022
Year 1	Nil	Nil
Year 2	Nil	Nil
Year 3	Nil	Nil
Year 4	Nil	Nil
Year 5	Nil	Nil
Year 6 to 10 & above	Nil	Nil

The weighted average duration of the defined benefit plan obligation at the end of the reporting period	Nil	Nil

Note 23 : Earnings per share (EPS)

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

(Rs. in million)

	March 31, 2023	March 31, 2022
Profit after tax attributable to equity holders (Rs. in millions)	(1,571.56)	(1,422.44)
Weighted average number of equity shares	37,80,00,000	37,80,00,000
Face value per share (Amount in Rs.)	10.00	10.00
Basic earning per share	(4.16)	(3.76)
Diluted earning per share	(4.16)	(3.76)

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Note 24 : Components of Other Comprehensive Income

The disaggregation of changes to OCI by each type of reserve in equity is shown below:

Retained Earnings

(Rs. in million)

	March 31, 2023	March 31, 2022
Re-measurement gains/ (losses) on defined benefit plans (Refer note 22)	-	-
Total	-	-

Note 25 : Contingent Liability

There are no contingent liabilities as at March 31, 2023 (March 31, 2022 : Rs.NiL). The Company's pending litigations comprise of claims against the Company primarily by the commuters and regulators. The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required. The Company has not provided for or disclosed contingent liabilities for matters considered as remote for pending litigations/public litigations(PIL)/claims wherein the management is confident, based on the internal legal assessment and advice of its lawyers that these litigations would not result into any liabilities. The Company does not expect the outcome of these proceedings to have a material adverse effect on the financial statements.

Note 26 : Trade payable

a) Details of dues to micro enterprises 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, Small and Medium enterprises. On the basis or 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 mid 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 and March 31, 2022 based on the information received and available with the Company.

(Rs. in million)

Particulars	March 31, 2023	March 31, 2022
Principal amount remaining unpaid to any supplier as at the period end	-	2.98
Interest due thereon	-	-
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.	-	-
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	-	-
Amount of interest accrued and remaining unpaid at the end of the accounting period	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under the MSMED Act, 2006	-	-

MSME ageing schedule as at

(Rs. in million)

Particulars	March 31, 2023	March 31, 2022
MSME Undisputed Dues		
Not Due		
Less than 1 year	-	2.98
1-2 Years	-	-
2-3 Years	-	-
More than 3 years	-	-
Total	-	2.98

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

(Rs. in million)

Particulars	March 31, 2023	March 31, 2022
Others Undisputed Dues		
Not Due		
Less than 1 year	156.76	175.03
1-2 Years	32.79	7.55
2-3 Years	-	-
More than 3 years	-	-
Total	**189.55**	182.58

Note 27 : Fair Values

The carrying values of financials instrumentts of the Company are reasonable and approximations of fair values.

(Rs. in million)

	Carrying amount		**Fair Value**	
	March 31, 2023	March 31, 2022	**March 31, 2023**	March 31, 2022
Financial assets				
Financial assets measured at amortised cost				
Loans	-	-	-	-
Trade receivable	318.00	318.00	-	-
Other Financial assets	352.00	311.69	-	-
Financial assets measured at amortised cost				
Cash and cash equivalents	351.69	141.05	-	-
Other Bank balances	1,067.04	1,155.76	-	-
Financial liabilities				
Financial liabilities measured at amortised cost				
Trade payables	189.55	185.56	189.55	185.56
Borrowings (net of unamortised transaction cost)	65,688.63	61,273.21	65,688.63	61273.21
Other financial liabilities	1,11,974.77	1,16,968.41	1,11,974.77	116968.41

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

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The discount for lack of marketability represents the amounts that the Group has determined that market participants would take into account when pricing the investments.

Note 28 : Fair Value Hierarchy

All financial instruments for which fair value is recognised or disclosed 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) price is active market for identical assets or liabilities

Level 2: Valuation technique for which the lowest level input that has a significant effect on the fair value measurement are observed, either directly or indirectly

Level 3: Valuation technique for which the lowest level input has a significant effect on the fair value measurement is not based on observable market data.

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The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of March 31, 2023

(Rs. in million)

	March 31, 2023	Fair value measurement at end of the reporting year using		
		Level 1	Level 2	Level 3
Assets				
Other Financial assets	352.00	-	-	352.00
Liabilities				
Borrowings	65,688.63	-	-	65,688.63
Other financial liabilities	1,11,974.77	-	-	1,11,974.77

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as of March 31, 2022

(Rs. in million)

	March 31, 2022	Fair value measurement at end of the reporting year using		
		Level 1	Level 2	Level 3
Assets				
Other Financial assets	311.69	-	-	311.69
Liabilities				
Borrowings	61,273.21	-	-	61,273.21
Other financial liabilities	1,16,968.41	-	-	1,16,968.41

Note 29 : 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.

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.

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 and financial institutions is managed by the Company 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 year subject to approval of the Company's board of directors. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

Trade receivables

Concentration of credit risk with respect to trade receivables are high, due to the Company's customer base being limited. All trade receivables are reviewed and assessed for default on a quarterly basis. Based on historical experience of collecting receivables indicate a low credit risk.

The following table provides information about the ageing of gross carrying amount of trade recievables as at :

(Rs. in million)

Gross Carrying Amount	March 31, 2023	March 31, 2022
Not due		
Less than 6 Months	-	-
6 months - 1 year	-	180.75
1-2 Years	180.75	57.50
2-3 Years	137.25	79.75
More than 3 years		-
Total	**318.00**	318.00

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Other financial assets

The Company has other receivables from related parties. The Company does not perceive any credit risk pertaining to other receivables. The Company makes provision of expected credit losses to mitigate the risk of default payments and makes appropriate provision at each reporting date whenever outstanding is for a longer year and involves higher risk.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest rates.

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected, after the impact of hedge accounting. With all other variables held constant, the Group's profit before tax is affected through the impact on floating rate borrowings, as follows:

Gross Carrying Amount	Borrowings	
	March 31, 2023	March 31, 2022
Increase in basis points - INR	50	50
Effect on profit before tax - INR Millions	271.76	262.96
Decrease in basis points - INR	50	50
Effect on profit before tax - INR Millions	(271.76)	(262.96)

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 optimised cost.

The Company maximum exposure to credit risk for the components of the balance sheet at March 31, 2023, March 31, 2022

(Rs. in million)

March 31, 2023	Carrying amount	Total	Less than 1 year	1 to 5 years	> 5 years
Financial assets					
Trade receivable	318.00	318.00	318.00	-	-
Cash and cash equivalents	351.69	351.69	351.69	-	-
Bank balance other than Cash and cash equivalents	1,067.04	1,067.04	1,067.04	-	-
Other financial assets	352.00	-	-	-	-
Total	**2,088.73**	**1,736.73**	**1,736.73**	**-**	**-**
Financial Liabilities					
Borrowings	65,688.63	81,112.57	4,275.04	19,552.54	57,284.99
Other financial liabilities	1,11,974.77	1,11,974.77	5,484.51	22,085.70	84,404.56
Trade payables	189.55	189.55	189.55	-	-
Total	**1,78,427.18**	**1,91,472.71**	**8,676.78**	**44,383.26**	**1,38,412.67**

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(Rs. in million)

March 31, 2022	Carrying amount	Total	Less than 1 year	1 to 5 years	> 5 years
Financial assets					
Trade receivable	318.00	318.00	318.00	-	-
Cash and cash equivalents	141.05	141.05	141.05	-	-
Bank balance other than Cash and cash equivalents	1,155.76	1,155.76	1,155.76	-	-
Other financial assets	311.69	311.69	311.69	-	-
Total	**1,926.50**	**1,926.50**	**1,926.50**	-	-
Financial Liabilities					
Borrowings	61,273.21	74,318.74	3,585.97	17,511.76	53,221.01
Other financial liabilities	1,16,968.41	1,16,968.41	4,905.25	26,871.50	85,191.66
Trade payables	185.56	185.56	185.56	-	-
Total	1,78,427.18	1,91,472.71	8,676.78	44,383.26	1,38,412.67

At present, the company does expects to repay all liabilities at their contractual maturity. In order to meet such cash commitments, the operating activity is expected to generate sufficient cash inflows.

Note 30 : Capital 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 Company manages its capital structure andmakes adjustments to it, in light of changes in economic conditions or its business requirements. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue newshares. No changes were made in the objectives, policies or processes during the year ended March 31, 2023 and March 31, 2022.

The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. Net debt is calculated as loans and borrowings less cash and cash equivalents.

(Rs. in million)

	March 31, 2023	March 31, 2022
Borrowings	56,141.96	54,137.32
Less: Cash and cash equivalents	(351.69)	(141.05)
Less: Bank balance other than above	(1,067.04)	(1,155.76)
A. Net debt	**54,723.23**	**52,840.51**
Equity	7,817.01	9,388.57
B. Total equity	**7,817.01**	9,388.57
C. Capital and net debt (A+B)	**62,540.24**	62,229.08
D. Gearing ratio (%) (C/A)	**87.50%**	84.91%

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2023 and March 31, 2022.

Note 31 : Disclosures with regard to Toll Collection Rights (Intangible Assets)

Name of Concessionaire	IRB Ahmedabad Vadodara Super Exptess Tollway Private Limited
Location	Gujarat
Type of Concession	DBFOT
Length (in lane kms)	102 kms & 93 Kms
Start of concession period under concession agreement (Appointed date)	January 01, 2013
End of concession period under concession agreement	December 31, 2037
Period of concession since the appointed date*	25 years
Construction completion date or scheduled construction completion date under the concession agreement, as applicable	December 6, 2015

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Note 32 : 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 periods.

Estimates and assumptions

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

Taxes

There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. Where the final tax outcome of these matters is different from the amounts initially recorded, such differences will impact the current and deferred tax provisions in the period in which the tax determination is made. The assessment of probability involves estimation of a number of factors including future taxable income

Resurfacing Expenses

As per the Service Concession Agreements, the Group is obligated to carry out resurfacing of the roads under concession. The Group estimates the likely provision required towards resurfacing and accrues the costs on a straight line basis over the period at the end of which resurfacing would be required, in the statement of profit and loss in accordance with Ind AS 37 "Provisions, Contingent Liabilities and Contingent Assets".

Defined benefit plans (gratuity benefits)

A liability in respect of defined benefit plans is recognised in the balance sheet, and is measured as the present value of the defined benefit obligation at the reporting date. The present value of the defined benefit obligation is based on expected future payments at the reporting date, calculated annually by independent actuaries. Consideration is given to expected future salary levels, experience of employee departures and periods of service. Refer note 22 for details of the key assumptions used in determining the accounting for these plans.

MKPS & ASSOCIATES * CHARTERED ACCOUNTANTS * FRN 302014E

IRB Ahmedabad Vadodara Super Express Tollway Pvt. Ltd.

IRB Ahmedabad Vadodara Super Express Tollway Private Limited
Notes to Financial Statement for the year ended March 31, 2023

Note 33 : Related party disclosures

A Names of the related parties

i) Holding Company
IRB Infrastructure Developers Limited - holding company

ii) Fellow subsidiaries (Only with whom there have been transactions during the year/ there was balance outstanding at the year end)
Modern Road Makers Private Limited
Mhaiskar Infrastructure Private Limited
Ideal Road Builders Private Limited

iii) Key Management Personnel
Mr. Dhananjay Joshi, Director
Mr. Sudhir Rao Hosing, Director and Chief Executive Officer
Mrs. Arati Taskar, Director
Mr. Mehul Patel, Company Secretary
Mr. Tushar Kawedia, Chief Finance Officer

A Related Party Transactions

(Rs. in million)

Sr. No.	Particulars	Holding Company		Subsidiaries		Key Management Personnel	
		March 31,2023	March 31,2022	March 31,2023	March 31,2022	March 31,2023	March 31,2022
1	Retention money payable	-	-	-	12.56	-	-
	Modern Road Makers Private Limited	-	-	-	12.56	-	-
	IRB Infrastructure Developers Limited*	12.55	-	-	-	-	-
2	Other receivable	-	-	177.23	111.02	-	-
	Modern Road Makers Private Limited	-	-	177.23	111.02	-	-
3	O& M expenses	364.35	317.00	-	-	-	-
	IRB Infrastructure Developers Limited	364.35	317.00	-	-	-	-
4	Contract expenses	-	-	-	7.81	-	-
	Modern Road Makers Private Limited	-	-	-	7.81	-	-
5	Finance Cost -Interest unwinding on loan	-	-	234.43	234.43	-	-
	Mhaiskar Infrastructure Private Limited	-	-	234.43	234.43	-	-
6	Director sitting fess	-	-	-	-	0.12	0.12
	Mr. Dhananjay Joshi	-	-	-	-	0.04	0.04
	Mr.Sudhir Rao Hoshing	-	-	-	-	0.04	0.04
	Mrs. Arati Taskar	-	-	-	-	0.04	0.04

B Outstanding balances at the year end

(Rs. in million)

Sr. No.	Particulars	Holding Company		Subsidiaries		Key Management Personnel	
		March 31,2023	March 31,2022	March 31,2023	March 31,2022	March 31,2023	March 31,2022
1	Long Term Borrowing (Sub Debts)	10,833.33	10,833.33	2,308.60	2,308.60	-	-
	IRB Infrastructure Developers Limited	10,833.33	10,833.33	-	-	-	-
	Modern Road Makers Private Limited	-	-	1,207.43	1,207.43	-	-
	Mhaiskar Infrastructure Private Limited	-	-	1,101.17	1,101.17	-	-
2	Long term borrowings (loan)	-	-	1,870.63	1,636.19	-	-
	Mhaiskar Infrastructure Private Limited	-	-	1,870.63	1,636.19	-	-
3	Other Receivables	-	-	288.25	111.02	-	-
	Modern Road Makers Private Limited	-	-	288.25	111.02	-	-
4	Trade Payable	173.93	162.05	8.40	8.40	-	-
	IRB Infrastructure Developers Limited	173.93	162.05	-	-	-	-
	Modern Road Makers Private Limited	-	-	8.40	8.40	-	-
5	Retention money payable	12.55	-	12.56	12.56	-	-
	IRB Infrastructure Developers Limited	12.55					
	Modern Road Makers Private Limited	-	-	12.56	12.56	-	-
6	BG Margin Receivable	-	-	21.00	166.34	-	-
	Modern Road Makers Private Limited	-	-	21.00	166.34	-	-
7	Director sitting fess payable	-	-	-	-	-	0.01
	Mr. Dhananjay Joshi	-	-	-	-	-	0.00
	Mr.Sudhir Rao Hoshing	-	-	-	-	-	0.00
	Mrs. Arati Taskar	-	-	-	-	-	0.00

0.00 denotes less than Rs. 5,000

Terms and conditions of transactions with related parties

1. The company in the normal course of business have entered into various transactions with related parties.The transaction with related parties are made on terms equivalent to those that prevail in arm's length transactions.
2. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash.
3. There have been no guarantees provided or received for any related party receivables or payables.
4. For reporting year ended, the company has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken each reporting period through examining the financial position of the related party and the market in which the related party operates.

Note 34 : Premium Obligation

The Company exercised first time adoption exemption under Ind AS 101 and has elected to continue with the carrying value of its "Toll Collection Rights" (Intangible Assets) including the corresponding obligation (herein referred as 'Premium Obligation'), as recognised in the financial statements as at the date of transition measured as per the previous GAAP and uses that as its deemed cost as at date of transition.

Note 35 Premium payment to NHAI

The Company has received award from Hon'ble High court for continuation of relief from payment of premium to NHAI till the outcome of section 17 proceedings under Arbitration.

Note 36 : Deferred tax

The Company will be claiming deduction under section 80-IA of the Income Tax Act, 1961. There are significant timing differences that result in deferred tax assets/liabilities and which shall be reversing during the said tax holiday period. Consequently, the Company has not recognized any deferred tax asset/liability on such non-taxable income.

Note 37 : 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 did not have any long-term contracts including derivative contract for which there were any material foreseeable losses.

MKPS & ASSOCIATES * CHARTERED ACCOUNTANTS * FRN 302014E

IRB Ahmedabad Vadodara Super Express Tollway Pvt. Ltd. *

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Notes to Financial Statement for the year ended March 31, 2023

Note 38 : Other financial information - ratios

The accounting ratios required derived from the Restated Financial Information under clause 11 of Part A of Schedule VI of the SEBI ICDR Regulations are given below:

Sr. No.	Particulars	note reference	March 31, 2023	March 31, 2022	Change %	Explanation for change in ratio for more than 25%
1	Current Ratio	a	0.29	0.33	-12%	- -
2	Adjusted Current ratio (in times)	b	0.37	0.39	-5%	- -
3	Debt – Equity Ratio	c	3.70	3.19	16%	- -
4	Adjusted Debt - Equity ratio	d	1.62	1.69	-4%	- -
5	Debt Service Coverage Ratio	e	1.62	1.78	-9%	- -
6	Return on Equity (ROE):	f	(0.18)	(0.15)	21%	- -
7	Inventory Turnover Ratio	- -	Not Applicable	Not Applicable	- -	- -
8	Trade receivables turnover ratio (no. of days)	g	19.30	18.12	7%	- -
9	Trade payables turnover ratio (no. of days)	h	86.75	162.34	-47%	Release of payments during the year
10	Net profit ratio	i	-24.81%	-26.51%	-6%	- -
11	Net capital turnover ratio	j	(1.77)	(1.65)	7%	- -
12	Return on capital employed (ROCE)	k	5.01%	4.55%	10%	- -

Note :

a Current ratio (in times) : Current Assets / Current liabilities

b Adjusted Current ratio (in times) : Current Assets / Current liabilities excluding Current maturities of long term debt, interest accrued theron and current borrowings.

c Debt - Equity ratio : Total Debt divided by Equity

d Adjusted Debt - Equity ratio : Borrowings from Project Lenders (Banks and Financial Institutions) - Cash and Bank Balances – Fixed Deposits – Liquid Investments divided by Sponsor Contribution (Equity and Sub-ordinaed debt from Sponsor)

e 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)

f ROE : Net Profits after taxes – Preference Dividend (if any) / Average Shareholder's Equity

g Trade receivable turnover ratio: Revenue from operations / Average (Trade receivable and contract assets) * No. of days

h Trade payables turnover ratio = Net Credit Purchases / Average Trade Payables

i Net profit margin (in %) : profit after tax / Revenue from operation

j Net capital turnover ratio = Net Sales / Working Capital

k ROCE : Earning before interest and taxes / Capital Employed (Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability)

Note 39 : 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.

Note 40 : Events after reporting date

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted with the standalone financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

MKPS & ASSOCIATES FRN 302014E CHARTERED ACCOUNTANTS

IRB Ahmedabad Vadodara Super Express Tollway Pvt. Ltd.

IRB Ahmedabad Vadodara Super Express Tollway Private Limited
Notes to Financial Statement for the year ended March 31, 2023

Note 41 :

The Company has presented these standalone financial information (for all the periods presented there in) in accordance with the requirement of Schedule III - of the Companies Act , 2013 including amendments thereto , effective from April 01,2022.

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

FRN 302014E

Partner
Membership No.
046953

Place: Mumbai
Date : May 8, 2023

For and on behalf of the Board of Directors of
IRB Ahmedabad Vadodara Super Express Tollway Private Limited
CIN : U45400MH2011PTC218122

Sudhir Rao Hoshing
Director and Chief Executive Officer
DIN: 02460530

D. K. Joshi
Dhananjay Joshi
Director
DIN: 02757916

Tushar Kawedia
Chief Finance Officer

Mehul Patel
Company Secretary

Place: Mumbai
Date : May 8, 2023