



# VARANASI SANGAM EXPRESSWAY PRIVATE LIMITED

2<sup>nd</sup> June 2023

To,  
**BSE Limited**  
Phiroze Jeejeebhoy Towers  
Dalal Street, Forts  
Mumbai – 400001  
Scrip Code: **973247**

**Subject: Annual Report of the Company for Financial Year 2022-23 along with Notice of Annual General Meeting.**

Dear Sir,

Pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and applicable statutory provisions, please find enclosed herewith the Annual Report of the Company for Financial Year 2022-23 along with Notice of Annual General Meeting of the Members of the Company scheduled to be held on 26<sup>th</sup> June 2023.

Annual Report along with Notice of the Annual General Meeting is available on the Company's website <https://www.varanasisangam.com/>.

Kindly take the above information on record.

**For Varanasi Sangam Expressway Private Limited**

**Chirag Gandhi**  
**Company Secretary & Compliance Officer**  
**ICSI Membership No. ACS55452**

Encl: As above



# VARANASI SANGAM EXPRESSWAY PRIVATE LIMITED

## NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 6<sup>th</sup> (Sixth) Annual General Meeting ("AGM") of the members of **Varanasi Sangam Expressway Private Limited** ("the Company") will be held on Monday, 26<sup>th</sup> June 2023 at 5:00PM through Video Conferencing ("VC") / other audio-visual means ("OAVM") to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended 31<sup>st</sup> March 2023 together with the Report of Auditors and Board of Directors thereon.
2. To appoint a Director in place of Mr. Vikas Agarwal (DIN: 03113689), who retires by rotation and being eligible, offers himself for re-appointment.
3. Reappointment of M/s JLN US & Co., Chartered Accountants as Statutory Auditors of the Company and to fix their remuneration.

"RESOLVED THAT pursuant to the provisions of Sections 139, 142 and other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), if any, M/s. JLN US & Co., Chartered Accountants (FRN: 101543W) be and are hereby reappointed as Statutory Auditors of the Company for a term of 4 (Four) consecutive years, who shall hold office from the conclusion of this 6<sup>th</sup> Annual General Meeting till the conclusion of the 10<sup>th</sup> Annual General Meeting of the Company on such remuneration as may be fixed by the Directors of the Company in consultation with the Auditors."

### SPECIAL BUSINESS:

To consider and if thought fit, to pass with or without modification(s), the following resolution as Ordinary Resolution:

4. Ratification of remuneration of Cost Auditors of the Company.

"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, of the Companies Act, 2013 read with Companies (Cost Records and Audit) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), if any, consent of the members of the Company, be and is hereby accorded for ratification of remuneration of Rs. 1,000 (Rupees One Thousand only) plus applicable taxes and reimbursement of actual out of pocket expenses, payable to M/s Rajendra Singh Bhati and Co., Cost Accountants, who were appointed by the Board of Directors as Cost Auditors to conduct Cost Audit of the Company as prescribed under the Companies (Cost Records and Audit) Rules 2014, for the financial year 2023-24."

To consider and if thought fit, to pass, with or without modification(s), the following resolution(s) as Special Resolution(s):

5. Appointment of Ms. Sarita Jaisalmeria (DIN:10048557) as an Independent Director of the Company:

"RESOLVED THAT in accordance with the provisions of Section 149, 152, 161(1) read with rules made thereunder (including any statutory modification(s), amendment(s) thereto or re-enactment thereof for the time being in force), Ms. Sarita Jaisalmeria (DIN:10048557) who was appointed as an Additional Director (Non-Executive Independent) with effect from 27<sup>th</sup> March 2023, who holds office upto the date of this Annual General Meeting in terms of Section 160(1) of the Act and who is eligible for appointment and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act proposing her candidature for the office of Director of the Company, be and is hereby appointed as Non-Executive Independent Director of the Company for a term of 5 consecutive years i.e. upto 26<sup>th</sup> March 2028, and is not liable to retire by rotation.

RESOLVED FURTHER THAT to give effect to this appointment all Directors and Company Secretary of the Company, be and are hereby severally authorized to do all such acts, deeds and things as may be necessary, expedient or desirable to give effect to the aforementioned resolution."

REGISTERED OFFICE : GR House, Hiran Magri, Sector-11, Udaipur- 313 002 (Rajasthan)

Ph.: +91-294-2487370, 2483033, Fax : +91 294 -2487749

Email : hava@grinfra.com, Website : www.varanasisangam.com

CIN : U45500RJ2017PTC057753



6. **Appointment of Ms. Rohini Avchar (DIN: 10044420) as an Independent Director of the Company:**

**"RESOLVED THAT** in accordance with the provisions of Section 149, 152, 161(1) read with rules made thereunder (including any statutory modification(s), amendment(s) thereto or re-enactment thereof for the time being in force), Ms. Rohini Avchar (DIN: 10044420) who was appointed as an Additional Director (Non-Executive Independent) with effect from 27<sup>th</sup> March 2023, who holds office upto the date of this Annual General Meeting in terms of Section 160(1) of the Act and who is eligible for appointment and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act proposing her candidature for the office of Director of the Company, be and is hereby appointed as Non-Executive Independent Director of the Company for a term of 5 consecutive years i.e. upto 26<sup>th</sup> March 2028, and is not liable to retire by rotation.

**RESOLVED FURTHER THAT** to give effect to this appointment all Directors and Company Secretary of the Company, be and are hereby severally authorized to do all such acts, deeds and things as may be necessary, expedient or desirable to give effect to the aforementioned resolution."

By the order of the Board of Directors,



Chirag  
Gandhi

Chirag Gandhi  
Company Secretary

ICSI Membership No. ACS 55452

Date: 02.06.2023

Place: Gurugram

NOTES:

1. A Statement pursuant to Section 102(1) of the Act ("Explanatory Statement") relating to the Item No.4 to 6 to be transacted at the Meeting is annexed hereto.
2. Details of Director(s) seeking appointment/ reappointment at the meeting are provided in the "Annexure-I" to this Notice.
3. In compliance with the Ministry of Corporate Affairs ("MCA") General Circular No. 11/2022 dated 28<sup>th</sup> December 2022 read with General Circular No. 14/2020 dated 8<sup>th</sup> April 2020, the Company will be conducting the 6<sup>th</sup> Annual General Meeting ("AGM"/"Meeting") through Video Conferencing or Other Audio Visual Means ("VC"/"OAVM").
4. In terms of the MCA Circulars, since the physical attendance of Members has been dispensed with, there is no requirement of appointment of proxies. Accordingly, the facility of appointment of proxies by Members under Section 105 of the Act will not be available for the AGM. However, the Body Corporates are entitled to appoint authorized representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting.
5. Since the AGM will be held through VC/OAVM facility, the attendance slip, proxy form and Route Map are not annexed to this Notice.
6. The Members can join the AGM in the VC/OAVM mode 30 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice.
7. Members attending the AGM through VC / OAVM shall be reckoned for the purpose of quorum under Section 103 of the Act.
8. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the AGM.
9. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Companies Act 2013, will be available electronically for inspection by the Members during the AGM. All the relevant documents referred to in this Notice and the Explanatory Statement will be available for inspection electronically without any fees by the Members. Members seeking to inspect such documents can send an email to [chirag.g@grinfra.com](mailto:chirag.g@grinfra.com).
10. The Company has designated an exclusive email Id i.e. [chirag.g@grinfra.com](mailto:chirag.g@grinfra.com) to enable investors to register their complaints, if any.
11. Electronic copy of the Annual Report for FY 2022-23 and Notice of AGM has been uploaded on the Company's website <https://www.varanasisangam.com/> and is being sent to all the Members and Debentures Holders whose email IDs are registered with the Company and also available on the website of BSE Limited at [www.bseindia.com](http://www.bseindia.com).
12. The credentials/ link to access and participate in the meeting are as under:

# Microsoft Teams meeting

**Join on your computer, mobile app or room device**

[Click here to join the meeting](#)

Meeting ID: 452 657 329 204

Passcode: ymkrFa

[Download Teams](#) | [Join on the web](#)

**Join with a video conferencing device**

[683409375@t.plcm.vc](tel:683409375@t.plcm.vc)

Video Conference ID: 135 532 235 9



## EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

### Item No. 3

The Members of the Company at the 1<sup>st</sup> Annual General Meeting ('AGM') held on 27<sup>th</sup> August 2018 approved the appointment of M/s JLN US & Co., Chartered Accountants (FRN: 101543W), as the Auditors of the Company for a period of Five years from the conclusion of the said AGM. M/s JLN US & Co., Chartered Accountants (FRN: 101543W) will complete their present term on conclusion of this AGM in terms of the said approval and Section 139 of the Companies Act, 2013 ('the Act') read with the Companies (Audit and Auditors) Rules, 2014.

The Board of Directors of the Company ('the Board'), on the recommendation of the Audit Committee ('the Committee'), recommended for reappointment of M/s JLN US & Co., Chartered Accountants (FRN: 101543W), as the Auditors of the Company for a period of four consecutive years from the conclusion of 6<sup>th</sup> AGM till the conclusion of the 10<sup>th</sup> AGM, to the members for their approval.

The Committee considered various parameters like capability to serve a diverse business landscape as that of the Company, audit experience in the Company's operating segments, market standing of the firm, clientele served, technical knowledge etc., and found M/s JLN US & Co., Chartered Accountants to be best suited to handle the scale, diversity and complexity associated with the audit of the financial statements of the Company.

#### Brief Profile of Statutory Auditor:

M/s JLN US & Co., Chartered Accountants (FRN: 101543W), ("the Audit Firm"), is a firm of Chartered Accountants registered with the Institute of Chartered Accountants of India.

The Audit Firm has valid Peer Review certificate and it is primarily engaged in providing audit and assurance services to its clients

M/s JLN US & Co., Chartered Accountants have given their consent to act as the Auditors of the Company and have confirmed that the said appointment, if made, will be in accordance with the conditions prescribed under Sections 139 and 141 of the Act.

The Board recommends the Ordinary Resolution set out at Item No. 3 of the Notice for approval by the members.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

### Item No. 4

The Board of Directors has approved the appointment of M/s Rajendra Singh Bhati & Co., Cost Accountants (Firm Registration Number: 101983) to conduct the audit of the cost records of the Company, for the for the financial year 2023-24 at a remuneration of Rs. 1000/- plus applicable taxes and actual out-of-pocket expenses. In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014, the remuneration payable to the Cost Auditors approved by the Board of Directors, has to be ratified by the members of the Company. Accordingly, consent of the Members has been sought for ratification of remuneration of the Cost Auditors.

The Board recommends the Ordinary Resolution set out at Item No. 4 of the Notice for approval by the members.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

### Item No. 5

The Board of Directors based on the recommendation of the Nomination & Remuneration Committee had appointed Ms. Sarita Jaisalmeria (DIN:10048557) as an Additional Director (Non-Executive Independent) of the Company with effect from 27<sup>th</sup> March 2023. As per the provisions of Section 161(1) of the Companies Act, 2013 ('Act'), she holds office till the date of 6<sup>th</sup> Annual General Meeting and is eligible for appointment as an Independent Director for a term of 5 (five) consecutive years.





The Company has received a notice under Section 160(1) of the Act proposing her candidature for the office of an Independent Director.

Ms. Sarita Jaisalmeria (DIN:10048557) is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given her consent to act as Director. The Company has also received declaration of Independence from her and in the opinion of the Board she meets with the criteria of independence specified under Section 149(6) read with Schedule IV of the Act and under the Listing Regulations and is Independent of the management.

Further, brief profile and other details of Ms. Sarita Jaisalmeria forms part of the Annexure to the Notice. The Board considers that background and experience of Ms. Sarita Jaisalmeria will be beneficial to the Company and it is desirable to avail her services as an Independent Director.

Ms. Sarita Jaisalmeria is deemed to be interested in the said resolution as it relates to her appointment. Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in this resolution.

The Board recommends the Special Resolution as set out in the Item No. 5 of the accompanying Notice for the approval by the Members of the Company.

#### **Item No. 6**

The Board of Directors based on the recommendation of the Nomination & Remuneration Committee had appointed Ms. Rohini Avchar (DIN: 10044420) as an Additional Director (Non-Executive Independent) of the Company with effect from 27<sup>th</sup> March 2023. As per the provisions of Section 161(1) of the Companies Act, 2013 ('Act'), she holds office till the date of 6<sup>th</sup> Annual General Meeting and is eligible for appointment as an Independent Director for a term of 5 (five) consecutive years. The Company has received a notice under Section 160(1) of the Act proposing her candidature for the office of an Independent Director.

Ms. Rohini Avchar (DIN: 10044420) is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given her consent to act as Director. The Company has also received declaration of Independence from her and in the opinion of the Board she meets with the criteria of independence specified under Section 149(6) read with Schedule IV of the Act and under the Listing Regulations and is Independent of the management.

Further, brief profile and other details of Ms. Rohini Avchar forms part of the Annexure to the Notice. The Board considers that background and experience of Ms. Rohini Avchar will be beneficial to the Company and it is desirable to avail her services as an Independent Director.

Ms. Rohini Avchar is deemed to be interested in the said resolution as it relates to her appointment. Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in this resolution.

The Board recommends the Special Resolution as set out in the Item No. 6 of the accompanying Notice for the approval by the Members of the Company.



**By the order of the Board of Directors,**

*Chirag  
gandhi*

**Chirag Gandhi  
Company Secretary  
ICSI Membership No. ACS 55452**

Date: 02.06.2023

Place: Gurugram

### Annexure-I

Information of the Director seeking appointment at the ensuing Annual General Meeting (Pursuant to Secretarial Standard-2 issued by the ICSI) as on date of the Notice of Annual General Meeting is as under:

<b>Name and DIN</b>	<b>Mr. Vikas Agarwal, DIN: 03113689</b>	<b>Ms. Sarita Jaisalmeria DIN: 10048557</b>	<b>Ms. Rohini Avchar DIN: 10044420</b>
<b>Date of Birth and Age</b>	15 <sup>th</sup> October 1980, 42 years	24 <sup>th</sup> May 1981, 42 Years	23 <sup>rd</sup> October 1994, 28 Years
<b>Qualification</b>	Bachelor's degree in Commerce from Maharana Pratap University, Chittorgarh.	Bachelor's degree in Commerce and associate member of the Institute of Chartered Accountants of India.	Bachelor's degree in Commerce and an associate member of the Institute of Chartered Accountants of India and the Institute of Company Secretaries of India.
<b>Experience and Expertise in specific functional area</b>	He has an experience of over 18 years in the road construction industry.	She has experience of over 15 year in Auditing.	She is a qualified Company Secretary and has experience of over 3 years.
<b>Terms and condition of appointment along with details of remuneration sought</b>	Non-Executive Director Remuneration: Nil	Proposed to be appointed as Independent Director of the Company for a period of Five years with effect from 27 <sup>th</sup> March 2023. No remuneration is proposed to be paid to her except sitting fee for attending meetings of Board/Committees.	Proposed to be appointed as Independent Director of the Company for a period of Five years with effect from 27 <sup>th</sup> March 2023. No remuneration is proposed to be paid to her except sitting fee for attending meetings of Board/ Committees
<b>Last drawn remuneration, if applicable</b>	Nil	Nil	Nil
<b>Number of shares held in Company</b>	Nil	Nil	Nil
<b>No. of Board Meetings attended</b>	Attended eight out of eight Board meetings held during the Financial Year 2022-23	Nil	Nil
<b>Original Date of Appointment</b>	17 <sup>th</sup> April 2017	27 <sup>th</sup> March 2023	27 <sup>th</sup> March 2023
<b>Relationship with other Directors</b>	Not related to any other Director of the Company.	Not related to any other Director of the Company.	Not related to any other Director of the Company.
<b>Other Directorship held in Indian companies</b>	<ul style="list-style-type: none"> <li>• G R Infraprojects Limited</li> <li>• GR Akkalkot Solapur Highway Private Limited</li> <li>• Reengus Sikar Expressway Limited</li> <li>• GR Phagwara Expressway Limited</li> <li>• GR Devinagar Kasganj Highway Private Limited</li> </ul>	Nil	Nil
<b>Membership/Chairman of the Committees in other Companies in India</b>	Nil	Nil	Nil





# VARANASI SANGAM EXPRESSWAY PRIVATE LIMITED

## DIRECTORS' REPORT

To  
The Members,  
Varanasi Sangam Expressway Private Limited

Your Directors have pleasure in presenting the 6<sup>th</sup> (Sixth) Annual Report on the business and operations of the Company together with the Audited Financial Statements for the year ended 31<sup>st</sup> March 2023.

### FINANCIAL HIGHLIGHTS

The financial highlights of the Company for the year ended 31<sup>st</sup> March 2023 are as under:

(Amount Rs. in Lakhs)		
Particulars	31 <sup>st</sup> March 2023	31 <sup>st</sup> March 2022
Revenue from Operations	30,941.75	13,170.20
Other Income	666.19	327.70
<b>Total Income</b>	<b>31,607.94</b>	<b>13,497.90</b>
Less: Expenses	11,047.38	11,160.37
<b>Profit/(Loss) before tax</b>	<b>20,560.56</b>	<b>2,337.53</b>
Less: Tax Expense	5,157.08	589.74
<b>Profit/(Loss) after tax</b>	<b>15,403.48</b>	<b>1,747.79</b>

### STATE OF THE COMPANY'S AFFAIRS

During the year under review, the Company has reported Total Income of Rs. 31,607.94 Lakhs as compared to Rs. 13,497.90 Lakhs in financial year 2021-22.

Profit after Tax for the year ended 31<sup>st</sup> March 2023 is Rs. 15,403.48 Lakhs as against profit after Tax of Rs. 1,747.79 Lakhs for the year ended 31<sup>st</sup> March 2022.

### CHANGE IN NATURE OF BUSINESS

There was no change in the nature of Company's business during the Financial Year 2022-2023.

### CHANGES IN CAPITAL STRUCTURE

During the year under review, there was no change in the capital structure of the Company. The Authorised Capital was Rs. 3,890 Lakhs consisting of 3,89,00,000 Equity shares of Rs.10/- each and Issued, Subscribed and Paid up Capital of the Company was Rs. 3,889 Lakhs consisting of 3,88,90,000 Equity shares of Rs.10/- each. The Company has not issued any equity shares with differential rights, sweat equity shares or bonus shares during the year under review.

### NON-CONVERTIBLE DEBENTURES (NCDs)

As on 31<sup>st</sup> March 2023 details of Non-convertible debentures as follows:

S. No.	Description of NCD	Face value Per NCD	Outstanding Balance As on 31.03.2023	Name of Trustee
1	Senior Rated Listed Secured Non-Convertible Debenture	Rs. 10 Lakh	Rs. 719.55 Crores	Axis Trustee Services Limited

The detail of Debenture Trustee is available on the Company's website i.e. <https://www.varanasisangam.com/grievance/>.



REGISTERED OFFICE : GR House, Hiran Magri, Sector-11, Udaipur- 313 002 (Rajasthan)

Ph.: +91-294-2487370, 2483033, Fax : +91 294 -2487749

Email : hava@grinfra.com, Website : www.varanasisangam.com

CIN : U45500RJ2017PTC057753



## **DIVIDEND**

Considering the requirement of the funds for business operations of the Company, your directors think it prudent not to recommend dividend for the financial year ended 31<sup>st</sup> March 2023 (previous year: Nil).

## **TRANSFER TO RESERVE**

During the Financial year under review, no amount has been transferred to any reserve of the Company.

## **SUBSIDIARY, ASSOCIATE OR JOINT VENTURES.**

The Company does not have any Subsidiary, Associate or Joint Ventures.

## **SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS**

During the year under review, there were no significant and material orders passed by any regulators or courts or tribunals impacting the going concern status and company's operations in future.

## **MATERIAL CHANGES AND COMMITMENTS**

There have been no material changes and / or commitments affecting the financial position of your company which has occurred from the end of the financial year upto the date of signing of this Report.

## **AUDITORS AND AUDITOR'S REPORT**

### **Statutory Auditors**

M/s JLN US & Co., Chartered Accountants (FRN: 101543W) have audited the financial statements of the Company for the Financial Year under review. The observations of Statutory Auditors in their Report read with relevant Notes to Accounts are self-explanatory and therefore, do not require further explanation. The Auditors' Report does not contain any qualification, reservation or adverse remark. Further, there were no frauds reported by the Statutory Auditors.

M/s JLN US & Co., Chartered Accountants (FRN: 101543W) were appointed by the Shareholders at Annual General Meeting of the Company held on 27<sup>th</sup> August 2018 as the Statutory Auditors for a period of five years to hold office upto the conclusion of the 6<sup>th</sup> Annual General Meeting and accordingly the term of Statutory Auditor of the Company is expiring at the conclusion of the ensuing Annual General Meeting of the Company. The Board of Directors have proposed re-appointment of M/s JLN US & Co., Chartered Accountants (FRN: 101543W) as Statutory Auditors of the Company for a period of five consecutive years from the conclusion of 6<sup>th</sup> Annual General Meeting till the conclusion of 10<sup>th</sup> Annual General Meeting of the Company.

### **Internal Auditor**

In accordance with the provisions of Section 138 of the Companies Act, 2013, Mr. Shiv Kumar Agarwal, Chartered Accountant (ICAI Membership No. 531115) was appointed as an internal auditor of the Company to conduct internal audit of the Company on 19<sup>th</sup> May 2022. The observations and suggestions of the Internal Auditors were reviewed, and necessary corrective/ preventive actions were taken.

### **Secretarial Auditor**

M/s. S P Moud & Associates, Company Secretaries in Practice were appointed to conduct Secretarial Audit of the Company for the financial year ended 31<sup>st</sup> March 2023. The Secretarial Audit Report for the said Financial Year is annexed herewith and forms part of this Report as **Annexure I**. The report does not contain any qualification, reservation or adverse remark.

### **Cost Auditors**

The Company has maintained cost accounts and records as specified by the Central Government under sub-section (1) of Section 148 of the Act. M/s Rajendra Singh Bhati & Co., Cost Accountants have audited the Cost Statements of the Company and submitted the Cost Audit Report for the Financial Year ended 31<sup>st</sup> March 2023. The report does not contain any qualification, reservation or adverse remark.



Further, the Board has approved appointment of M/s Rajendra Singh Bhati & Co., Cost Accountants as Cost Auditors for the financial year ended 31<sup>st</sup> March 2024. The remuneration payable to the Cost Auditors is required to be ratified by the members, the Board recommends the same for approval by members at the ensuing Annual General Meeting.

#### **DIRECTORS AND KEY MANAGERIAL PERSONNEL**

During the financial year under review, the company was required to appoint Independent Director(s) pursuant to section 149(6) of the Companies Act, 2013. In order to comply with the requirement, the Board has appointed Ms. Sarita Jaisalmeria (DIN: 10048557) and Ms. Rohini Avchar (DIN: 10044420) as an Additional Director (Non-Executive Independent Director) on 27<sup>th</sup> March 2023 and such appointment shall be subject to regularization by the shareholders in the ensuing Annual General Meeting.

Your Directors recommend appointment of Ms. Sarita Jaisalmeria and Ms. Rohini Avchar as Independent Director of the Company for a period of five years with effect from 27<sup>th</sup> March 2023. The Company had received declaration from Ms. Sarita Jaisalmeria and Ms. Rohini Avchar confirming the fulfils the criteria of independence as prescribed under the provisions of the Companies Act, 2013 read with the Schedules and Rules issued thereunder as well as Regulation 16 of listing regulations (including statutory re-enactment thereof for the time being in force).

Further, Ms. Suhani Jain (DIN: 08559224) has resigned as Director of the Company with effect from 29<sup>th</sup> March 2023, the board places on records its appreciation for the contributions made by Ms. Suhani Jain during her tenure as director of the Company.

In accordance with the provisions of the Companies Act, 2013, Mr. Vikas Agarwal (DIN: 03113689), Director of the Company, retires by rotation at the ensuing Annual General Meeting and being eligible, has offered himself for re-appointment. The Board of Directors recommends his re-appointment.

#### **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the requirement under Section 134(5) of the Companies Act, 2013, with respect to Directors Responsibility Statement, your Directors hereby confirm that:

- a) In preparation of Annual Accounts for the Financial Year 2022-2023, the applicable accounting standards have been followed and there are no material departures;
- b) They have selected such Accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the Company at the end of financial year and of the **Profit** of the Company for the financial year;
- c) They have taken proper and sufficient care to the best of their knowledge and ability for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) They have prepared annual accounts on a going concern basis.
- e) The Company being unlisted sub clause (e) of Section 134(3) is not applicable.
- f) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

#### **DECLARATION FROM INDEPENDENT DIRECTORS**

Your Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed under section 149 of the Companies Act, 2013 and Regulation 16(1)(b) of listing regulations. In the opinion of the Board, Independent Directors fulfill the conditions specified in the Act and Rules made thereunder. The Board is of the opinion that the Independent Directors of the Company hold highest standards of integrity and possess requisite expertise and experience required to fulfill their duties as Independent Directors



## THE CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS & OUTGO

The rules regarding conservation of Energy and Technology Absorption are not applicable on the Company. Further there was no foreign exchange Inflow or Outflow during the year under review.

## CORPORATE SOCIAL RESPONSIBILITY

Your company has dissolved the CSR Committee with effect from 27<sup>th</sup> March 2023. The duties of CSR Committee would be carried out by Board of Directors of the Company. During the year under review one meeting of the Committee was held on 18<sup>th</sup> May 2022. The CSR Policy of the Company is placed on its website on <https://www.varanasisangam.com/csr/>. The Annual Report on Corporate Social Responsibility is enclosed as **Annexure – II** to this Report.

## DEPOSITS

The Company has not accepted any deposits from public and as such, no amount on account of principal or interest on deposits from public was outstanding as on the date of the balance sheet.

## CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

During the Financial Year 2022-2023, all Related Party Transactions entered into by your Company with related parties were in ordinary course of business and at arm's length basis. Further, details of material contracts/arrangements/transactions entered by the Company at arm's length basis are disclosed in Form AOC-2 as **Annexure-III** to the Director's Report.

The Related Party Disclosures as required under Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is disclosed in Financial Statements forming part of the Annual Report of the Company.

## PARTICULARS OF EMPLOYEES

During the Financial year under review, there was no employee drawing remuneration in excess of limits prescribed by provision of Section 197(12) read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 of the Act.

Further, disclosures pertaining to remuneration and other details as required under Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given below:

Name	Designation	Qualification	Work Experience	Age	Date of Commencement of Employment	Remuneration paid in FY 2022-23	Previous Employment
Mr. Chirag Gandhi	Company Secretary	CS, B.Com	5 Years	29 Years	01.04.2020	Rs. 7.34 Lakhs	G R Infraprojects Limited

None of the employee of the Company holds any equity share of the Company nor is relative of any Director or KMP of the Company.

## VIGIL MECHANISM

Your Company is committed to highest standards of ethical, moral, and legal business conduct. Accordingly, the Board of Directors has formulated Vigil Mechanism which provides a robust framework for dealing with genuine concerns & grievances. Specifically, employees can raise concerns regarding any discrimination, harassment, victimization, any other unfair practice being adopted against them or any instances of fraud by or against your Company. During Financial Year under review, no complaint was received by the Company.



## PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

Your company has neither made any loan or any guarantee has been given. The details of investments is set out in the Note No. 7 to the Financial Statements of the Company. Your Company falls within scope of the definition "Infrastructure Company" as provided by the Companies Act, 2013. Accordingly, the Company is exempt from the provisions of Section 186 of the Act with regards to loans, Guarantees and Investments.(has made investments).

## ANNUAL EVALUATION OF THE BOARD, ITS COMMITTEES, AND INDIVIDUAL DIRECTORS

A formal evaluation of the performance of the Board and the individual Directors was carried out for Financial Year 2022-2023. Led by the Board of Directors, the evaluation was carried out using individual questionnaires covering, amongst others, composition of Board, conduct as per Company values & beliefs, contribution towards development of the strategy & business plan, risk management, receipt of regular inputs and information, codes & policies for strengthening governance, functioning, performance & structure of Board, skill set, knowledge & expertise of Directors, preparation & contribution at Board meetings, leadership, etc.

## MEETINGS OF BOARD OF DIRECTORS

Detail of meeting of Board of Directors held during the year alongwith attendance of directors therein are as under:

S. No.	Date of Meeting	Mr. Vikas Agarwal	Mr. Varun Bhasin	Ms. Suhani Jain**	Ms. Sarita Jaisalmeria*	Ms. Rohini Avchar*
1.	17.05.2022	Yes	Yes	No	NA	NA
2.	19.05.2022	Yes	Yes	No	NA	NA
3.	06.07.2022	Yes	Yes	No	NA	NA
4.	27.07.2022	Yes	Yes	No	NA	NA
5.	03.11.2022	Yes	Yes	Yes	NA	NA
6.	09.12.2022	Yes	Yes	No	NA	NA
7.	03.02.2023	Yes	Yes	Yes	NA	NA
8.	27.03.2023	Yes	Yes	No	NA	NA
Meetings eligible to attend		8	8	8	0	0
Meetings attended		8	8	2	0	0

\*appointed as Additional Director (Non-Executive Independent Director) on 27<sup>th</sup> March 2023.

\*\*resigned from Directorship with effect from 29<sup>th</sup> March 2023.

The intervening gap between any two meetings was within the period prescribed under the Companies Act, 2013.

## AUDIT COMMITTEE

Your Company has a duly constituted Audit Committee, its composition as well as charter are in line with the requirements of the Companies Act, 2013 and Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with regulations made in this regard. As on 31<sup>st</sup> March 2023, Five meetings of the Audit Committee were held on 19<sup>th</sup> May 2022, 27<sup>th</sup> July 2022, 3<sup>rd</sup> November 2022, 9<sup>th</sup> December 2022 and 3<sup>rd</sup> February 2023, detail of which is as under:

S.No.	Name of Member	Designation	Meetings eligible to attend	Meetings attended
1	Mr. Vikas Agarwal*	Chairman	5	5
2	Ms. Rohini Avchar**	Chairman	NA	NA
3	Mr. Varun Bhasin	Member	5	5
4	Ms. Suhani Jain*	Member	5	2
5	Ms. Sarita Jaisalmeria**	Member	NA	NA

\*ceased with effect from 27<sup>th</sup> March 2023





\*\*appointed with effect from 27<sup>th</sup> March 2023.

During the year under review, all the recommendations made by the Audit Committee were accepted by the Board.

#### **NOMINATION & REMUNERATION COMMITTEE**

Your Company has a duly constituted Nomination and Remuneration Committee, its composition as well as charter are in line with the requirements of the Companies Act, 2013 and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with regulations made in this regard. As on 31<sup>st</sup> March 2023 Two meetings of the Nomination and Remuneration Committee were held on 19<sup>th</sup> May 2022 and 27<sup>th</sup> March 2023, detail of which is as under:

S. No.	Name of Member	Designation	Meetings eligible to attend	Meetings attended
1	Mr. Vikas Agarwal*	Chairman	2	2
2	Ms. Sarita Jaisalmeria**	Chairman	NA	NA
3	Mr. Varun Bhasin	Member	2	2
4	Ms. Suhani Jain*	Member	2	0
5	Ms. Rohini Avchar**	Member	NA	NA

\*ceased with effect from 27<sup>th</sup> March 2023

\*\*appointed with effect from 27<sup>th</sup> March 2023.

During the year under review, all the recommendations made by the Nomination and Remuneration Committee were accepted by the Board.

#### **STAKEHOLDERS RELATIONSHIP COMMITTEE**

Your Company has a duly constituted Stakeholders Relationship Committee, its composition as well as charter are in line with the requirements of the Companies Act, 2013 and Regulation 20 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with regulations made in this regard. As on 31<sup>st</sup> March 2023, one meeting of the Stakeholders Relationship Committee was held on 9<sup>th</sup> December 2022, details of which is as under:

S. No.	Name of Member	Designation	Meetings eligible to attend	Meetings attended
1	Mr. Varun Bhasin	Chairman	1	1
2	Mr. Vikas Agarwal*	Member	1	1
3	Ms. Suhani Jain*	Member	1	0
4	Ms. Sarita Jaisalmeria**	Member	NA	NA
5	Ms. Rohini Avchar**	Member	NA	NA

\*ceased with effect from 27<sup>th</sup> March 2023.

\*\*appointed with effect from 27<sup>th</sup> March 2023.

#### **RISK MANAGEMENT COMMITTEE**

Your Company has a duly constituted Risk Management Committee, its composition as well as charter are in line with the requirements of the Companies Act, 2013 and Regulation 21 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with regulations made in this regard. As on 31<sup>st</sup> March 2023, Two meetings of the Risk Management Committee were held on 17<sup>th</sup> September 2022 and 3<sup>rd</sup> February 2023, details of which is as under:

S. No.	Name of Member	Designation	Meetings eligible to attend	Meetings attended
1	Mr. Varun Bhasin	Chairman	2	2
2	Mr. Vikas Agarwal*	Member	2	2
3	Ms. Suhani Jain*	Member	2	1
4	Ms. Sarita Jaisalmeria**	Member	NA	NA
5	Ms. Rohini Avchar**	Member	NA	NA

\*ceased with effect from 27<sup>th</sup> March 2023.

\*\*appointed with effect from 27<sup>th</sup> March 2023.





#### **INTERNAL FINANCIAL CONTROLS AND THEIR ADEQUACY**

Your Company has a strong and well embedded system of internal controls. This ensures that all assets are safeguarded and protected against loss from unauthorized use or disposition and all transactions are authorized, recorded and reported correctly. The internal control system has been designed to ensure that financial and other records are reliable for preparing financial and other statements and for maintaining accountability of assets. During the year, such controls were tested and no reportable material weaknesses in the design or operation were observed.

#### **PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE**

The provisions of Sexual Harassment of Woman at Workplace (Prevention, Prohibition and Redressal) Act, 2013 are not applicable on the Company.

#### **RISK MANAGEMENT POLICY**

The Company has in place a risk management framework and policy that provides an all-inclusive approach to safeguard the organisation from various risks. Further, the Board of Directors takes appropriate measures, reviews the major risks associated with the Company and takes all requisite measures to minimize them.

#### **COMPLIANCE WITH SECRETARIAL STANDARDS**

Your Company has complied with applicable Secretarial Standards (SS) issued by the Institute of Companies Secretaries of India.

#### **ANNUAL RETURN**

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return as on 31<sup>st</sup> March 2023 is available on the Company's website on <https://www.varanasisangam.com/annual-return/>.

#### **OTHER DISCLOSURES**

1. The Company has neither made any application, nor any proceedings are pending under the Insolvency and Bankruptcy Code, 2016.
2. The Company has not entered into any one-time settlement with any Bank or Financial Institutions, hence disclosure under rule (8)(5)(xii) of Companies (Accounts) Rules 2014 is not applicable.

#### **ACKNOWLEDGEMENTS**

The Board expresses its sincere gratitude to the National Highways Authority of India, Shareholders, Bankers, Central and State Government officials for their continued support.

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



*Varun Bhasin*

**Varun Bhasin**  
**Director**  
**DIN: 03262761**

*Vikas Agarwal*

**Vikas Agarwal**  
**Director**  
**DIN: 03113689**

Date: 11.05.2023

Place: Gurugram



## S P MOUD & ASSOCIATES

COMPANY SECRETARIES

7976159557, 8003005466

rspm.roc@gmail.com

Form No. MR-3

Secretarial Audit Report

(For the Financial Year Ended 31.03.2023)

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

TO,  
THE MEMBERS,  
VARANASI SANGAM EXPRESSWAY PRIVATE LIMITED  
(CIN: U45500RJ2017PTC057753)  
GR HOUSE, HIRAN MAGRI, SECTOR NO. 11,  
UDAIPUR, RAJASTHAN--313002

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **VARANASI SANGAM EXPRESSWAY PRIVATE LIMITED** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period **April 01, 2022 to March 31, 2023**, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made herein after:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by **VARANASI SANGAM EXPRESSWAY PRIVATE LIMITED** ("the Company") for the financial year ended on March 31, 2023 according to the provisions (to the extent applicable) of:

1. The Companies Act, 2013 (the Act) and the rules made there under;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial borrowings; **(Not applicable to the company during the audit period)**
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, ('SEBI Act') 1992:-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **(Not applicable to the company during the audit period)**







## S P MOUD & ASSOCIATES

COMPANY SECRETARIES

7976159557, 8003005466

rspm.roc@gmail.com

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(Not applicable to the company during the audit period)**

(d) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **(Not applicable to the company during the review period);**

(e) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; **(Applicable to the extent to which regulations/provisions are applicable on debt listed entity);**

(f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **(Not applicable to the company during the audit period)** and

(h) The Securities and Exchange Board of India (Buy back of Securities) Regulations, 2018; **(Not applicable to the company during the audit period)**

(I) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;

(g) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013; **(Not applicable to the company during the review period);**

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

- (i) Secretarial Standards with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India.

### I further report that

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors. The changes in the composition of the Board of Directors and Key Managerial Personnel that took place during the period under review were carried out in compliance with the provisions of the Act.
- Adequate notice has been given to all the directors to schedule the Board Meetings, Committee Meetings, agenda and detailed notes on agenda were sent in advance and a system exists for meaningful participation at the meeting.





## S P MOUD & ASSOCIATES

COMPANY SECRETARIES

7976159557, 8003005466

rspm.roc@gmail.com

- All decision at Board Meetings and Committee Meetings have been carried unanimously/with requisite majority as recorded in the minutes of the Meetings of the Board of Directors or Committee of the Board, as the case may be.
- During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

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

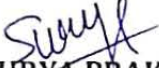
### I further report that during the audit period:

- (i) Ms. Sarita Jaisalmeria (DIN: 10048557) appointed by the Board of Directors as an Additional Director (Independent Director) on 27<sup>th</sup> March 2023
- (ii) Ms. Rohini Avchar (DIN: 10044420) appointed by the Board of Directors as an Additional Director (Independent Director) on 27<sup>th</sup> March 2023
- (iii) Ms. Suhani Jain (DIN: 08559224) has resigned as Director of the Company with effect from 29<sup>th</sup> March 2023

For S P MOUD & ASSOCIATES

COMPANY SECRETARIES

UNIQUE CODE: S2023RJ906400

  
CS SURYA PRAKASH MOUD  
PROPRIETOR

M. No.: A54419

COP No.: 26437

ICSI-PR No.: 3005/2023



Place: Udaipur

Date: 09/05/2023

UDIN: A054419E000277763

Note: This report is to be read with our letter of even date which is annexed as "ANNEXURE-1" and forms an integral part of this report.





## S P MOUD & ASSOCIATES

COMPANY SECRETARIES

7976159557, 8003005466

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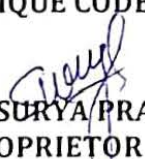
### "ANNEXURE-1"

TO,  
THE MEMBERS,  
VARANASI SANGAM EXPRESSWAY PRIVATE LIMITED,  
GR HOUSE, HIRAN MAGRI, SECTOR NO. 11,  
UDAIPUR, RAJASTHAN--313002

My Report of given date is to be read along with this letter.

- A. Maintenance of Secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
- B. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on the test basis to ensure that correct facts are reflected in Secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
- C. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
- D. Wherever required, I have obtained the Management representation about compliance of laws, rules and regulations and happenings of events etc.
- E. The compliance of provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. My examination was limited to the verification of procedures on test basis.
- F. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of efficacy or effectiveness with which the management has conducted the affairs of the Company.

For S P MOUD & ASSOCIATES  
COMPANY SECRETARIES  
UNIQUE CODE: S2023RJ906400

  
CS SURYA PRAKASH MOUD  
PROPRIETOR  
M. No.: A54419  
COP No.: 26437  
ICSI-PR No.: 3005/2023



Place: Udaipur  
Date: 09/05/2023  
UDIN: A054419E000277763



## ANNEXURE-II

### ANNUAL REPORT ON CSR ACTIVITIES TO BE INCLUDED IN THE BOARD'S REPORT FOR FINANCIAL YEAR 2022-23

1. Brief outline on CSR Policy of the company: Varanasi Sangam Expressway Private Limited as a responsible corporate entity commits to undertake appropriate CSR measures having positive economic, social, and environmental impact to transform lives and to help build more capable and vibrant communities by integrating its business values and strengths.
- In its continuous efforts to positively impact the society and to target the inclusive growth of all the stakeholders, the Company has formulated a guiding policy concentrating mainly on promoting education, environment sustainability, economic empowerment, rural development, health care and sanitation.

2. Composition of CSR Committee:\*

S. No.	Name of director	Designation/ Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Vikas Agarwal	Chairman	1	1
2	Mr. Varun Bhasin	Member	1	1

\*The CSR Committee was dissolved on 27<sup>th</sup> March 2023, and the function of CSR committee are being discharged by the Board of Directors of the Company.

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company. <https://www.varanasisangam.com/csr/>
4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report). Not Applicable
5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any.

S. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs. Lakhs)	Amount required to be setoff for the financial year, if any (in Rs. Lakhs)
		NIL	

6. Average net profit of the company as per section 135(5): Net Loss of Rs. 3875.16 Lakhs

7.	(a) Two percent of average net profit of the company as per section 135(5):	Net Loss of Rs. 77.50 Lakhs
	(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years.	-
	(c) Amount required to be set off for the financial year, if any.	-
	(d) Total CSR obligation for the financial year (7a + 7b + 7c)	-



8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (in Rs. Lakhs)	Amount Unspent				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount (in Rs. Lakhs)	Date of transfer	Name of Fund	Amount (in Rs. Lakhs)	Date of transfer
Not Applicable					

(b) Details of CSR amount spent against ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
S. No	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No)	Location of the project		Project duration	Amount allocated for the project (in Rs. Lakhs)	Amount spent in the current financial Year (in Rs. Lakhs)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs. Lakhs)	Mode of Implementation - Direct (Yes/No).	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration number
Not Applicable												

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)
S. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/No)	Location of the project		Amount spent for the project (in Rs. Lakhs)	Mode of Implementation – Direct (Yes/No)	Mode of implementation - Through implementing Agency
				State	District			Name CSR registration number
Not Applicable								

(d) Amount spent in Administrative Overheads	-
(e) Amount spent on Impact Assessment, if applicable	-
(f) Total amount spent for Financial Year (8b+8c+8d+8e)	-

(g) Excess amount for set off, if any.

S. No.	Particular	Amount (in Rs. Lakhs)
i.	Two percent of average net profit of the company as per section 135(5)	(77.50)
ii.	Total amount spent for the Financial Year	Nil
iii.	Excess amount spent for the financial year [(ii)-(i)]	Nil



iv.	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
v.	Amount available for set off in succeeding financial years [(iii)-(iv)]	Nil

9 (a) Details of Unspent CSR amount for the preceding three financial years:

S. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs. Lakhs)	Amount spent in the reporting Financial Year (in Rs. Lakhs)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in Rs. Lakhs)
				Name of the Fund	Amount (in Rs Lakhs).	Date of transfer	
Not applicable							

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
S. No	Project ID	Name of the Project.	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in Rs. Lakhs)	Amount spent on the project in the reporting Financial Year (in Rs. Lakhs)	Cumulative amount spent at the end of reporting Financial Year (in Rs. Lakhs)	Status of the project - Completed/Ongoing.
Not applicable								

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset - wise details)

(a) Date of creation or acquisition of the capital asset(s).	Not Applicable
(b) Amount of CSR spent for creation or acquisition of capital asset.	Not Applicable
(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.	Not Applicable
(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).	Not Applicable

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5). Not Applicable



For and on behalf of the Board of Directors,

*Varun Bhasin*

Varun Bhasin  
Director  
DIN:03262761

*Vikas Agarwal*

Vikas Agarwal  
Director  
DIN: 03113689

Date: 11.05.2023  
Place: Gurugram

## ANNEXURE –III

Form No. AOC-2

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

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

## 1. Details of contracts or arrangements or transactions not at arm's length basis:

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangement/ transactions	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any:	Date(s) of approval by the Board, if any:	Amount paid as advances (if any)	Date on which the special resolution was passed in general meeting as required under first proviso to section 188
Not Applicable						

## 2. Details of material contracts or arrangement or transactions at arm's length basis:

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangement/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any:	Date(s) of approval by the Board, if any:	Amount paid as advances (if any, in Rs. Lakhs)
G R Infraprojects Limited	Addendum Agreement to Operations and Maintenance ("O&M") Agreement	1 <sup>st</sup> April 2022 till 31 <sup>st</sup> March 2023.	Operation & Maintenance of the Project Highway i.e. Six- laning of Handia to Varanasi section of NH-2 from km 713.146 to km 785.544 in the state of Uttar Pradesh under NHDP phase-V on Hybrid Annuity Mode from 1 <sup>st</sup> April 2022 till 31 <sup>st</sup> March 2023 at fixed lumpsum fees of Rs. 7 Crores plus applicable taxes.	Not applicable	Nil

For and on behalf of the Board of Directors



Varun Bhasin  
Director  
DIN:03262761

Vikas Agarwal  
Director  
DIN: 03113689

Date: 11.05.2023

Place: Gurugram



# VARANASI SANGAM EXPRESSWAY PRIVATE LIMITED

## Compliance Certificate to the Board of Directors

*Pursuant to Regulation 17(8) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Part B of schedule II thereto*

### The Board of Directors

Varanasi Sangam Expressway Private Limited  
GR House, Hiran Magri Sector No. 11,  
Udaipur Rajasthan 313002 India

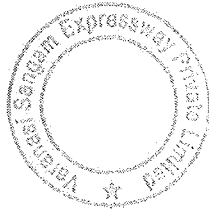
This is to certify that,

- A. We have reviewed financial statements and the cash flow statement for the year, and that to the best of our knowledge and belief:
1. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  2. these statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the listed entity during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the listed entity pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the auditors and the Audit Committee:
1. significant changes in internal control over financial reporting during the year;
  2. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  3. instances of significant fraud, of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

**For Varanasi Sangam Expressway Private Limited**

**Ajendra Kumar Agarwal**  
Chief Executive Officer

Date: 11.05.2023  
Place: Gurugram



**Namita Somani**  
Chief Financial Officer

Date: 11.05.2023  
Place: Udaipur

REGISTERED OFFICE : GR House, Hiran Magri, Sector-11, Udaipur- 313 002 (Rajasthan)  
Ph.: +91-294-2487370, 2483033, Fax : +91 294 -2487749  
Email : hava@grinfra.com, Website : www.varanasisangam.com

CIN : U45500RJ2017PTC057753





**JLN US & CO.**  
**Chartered Accountants**

4/5, First Floor, Vishwakarma Complex  
Near Paragon Mobile, Inside Udiapole  
Udaipur 313001, Rajasthan, India  
Mobile : +91-98280 58602, +91-98280 52131  
Email : maheshmenaria@gmail.com  
jlnusudaipur@gmail.com  
Web : www.jlnus.com

**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF VARANASI SANGAM EXPRESSWAY PRIVATE LIMITED**

**Report on the Audit of the Standalone Financial Statements**

**Opinion**

We have audited the accompanying Standalone Financial Statements of VARANASI SANGAM EXPRESSWAY PRIVATE LIMITED ("the Company"), which comprise the balance sheet as at 31st March 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 Standalone 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 Standalone Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, its profit, changes in equity and its cash flows for the year ended on that date.

**Basis for Opinion**

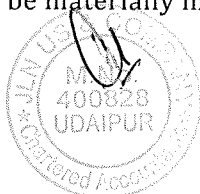
We conducted our audit in accordance with the Standards on Auditing (SAs) issued by ICAI and specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements 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 Standalone Financial Statements under the provisions of the Companies Act, 2013 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 Standalone Financial Statements and Auditor's Report Thereon**

The company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the Standalone Financial Statements and our auditor's report thereon.

Our opinion on the Standalone 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 Standalone Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.



## VARANASI SANGAM EXPRESSWAY PRIVATE LIMITED

### Independent Auditors' Report on standalone financial statements (*Continued*)

#### **Management's Responsibility for the Standalone Financial Statements**

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

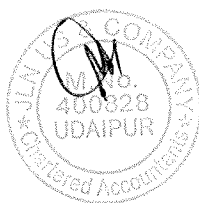
Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

#### **Auditor's Responsibilities for the Audit of the Standalone Financial Statements**

Our objectives are to obtain reasonable assurance about whether the Standalone 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 Standalone Financial Statements.

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

- Identify and assess the risks of material misstatement of the Standalone 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.



## VARANASI SANGAM EXPRESSWAY PRIVATE LIMITED

### Independent Auditors' Report on standalone financial statements (*Continued*)

- 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 Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

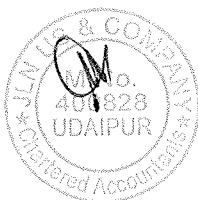
We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

#### 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, we give in Annexure – I a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books
- (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account
- (d) In our opinion, the aforesaid Standalone Financial Statements comply, in material respect, with the Ind AS 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.



**VARANASI SANGAM EXPRESSWAY PRIVATE LIMITED**

**Independent Auditors' Report on standalone financial statements (*Continued*)**

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

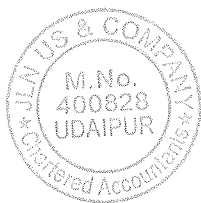
- i) The Company does not have any pending litigations which would have a material impact its financial position;
- ii) Based on the assessment made by the company, there are no material foreseeable losses on its long term contracts that may require any provisioning
- iii) In view of there being no amounts required to be transferred to the Investor Education and Protection Fund for the year under audit, the reporting under this clause is not applicable.

**For JLN US & Company**  
**Chartered Accountants**  
**FRN 101543W**

**CA Mahesh Menaria**  
**Partner**

**M No. 400828**

**UDIN: 23400828BGWIAH5212**



**Udaipur, May 11, 2023**

## VARANASI SANGAM EXPRESSWAY PRIVATE LIMITED

### Independent Auditors' Report on standalone financial statements (*Continued*)

#### Annexure - I to the Independent Auditors Report

Referred to in our report of even date, to the members of VARANASI SANGAM EXPRESSWAY PRIVATE LIMITED for the year ended March 31, 2023

- i) (a) According to the information and explanations provided to us, there are no fixed assets in existence with company.
- (b) According to the information and explanations provided to us, there are no immovable properties included in the fixed assets of the company and accordingly the reporting requirements under sub clause (c) of clause (i) of paragraph 3 of the order are not applicable.
- ii) In our opinion, and according to the information and explanations given to us, the company has sub-contracted the entire construction / operation related activities and therefore does not carry any inventories. Hence, the reporting requirements under clause (ii) of paragraph 3 of the order are not applicable.
- iii) In our opinion and according to the information and explanation given to us, the company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnership or other parties covered in the register maintained under section 189 of the Companies Act 2013. Accordingly, the reporting requirements under sub-clause (a), (b) and (c) of 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, there are no loans, investments, guarantees and securities granted in respect of which provisions of section 185 and 186 of the Act are applicable and hence the reporting requirements under clause (iv) of paragraph 3 of the order are not applicable.
- v) In our opinion and according to the information and explanations given to us, the company has not accepted any deposits during the period under audit. Consequently, the directives issued by Reserve Bank of India and the provisions of sections 73 to 76 of the Act and the rules framed thereunder are not applicable.
- vi) The maintenance of cost records has 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) According to the information and explanations given to us and based on the records of the company examined by us, the company is generally regular in depositing the undisputed statutory dues including income-tax, goods and service tax, duty of customs, cess and any other material statutory dues, as applicable, with the appropriate authorities in India.

According to the information and explanations given to us, there are no undisputed amounts in respect of the aforesaid statutory dues which 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 applicable statutory dues which have not been deposited on account of any dispute.

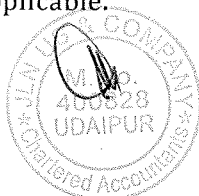




## VARANASI SANGAM EXPRESSWAY PRIVATE LIMITED

### Independent Auditors' Report on standalone financial statements (*Continued*)

- viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.
- ix) Based upon the audit procedures carried out by us and on the basis of information and explanations provided by the management we are of the opinion that the company has not defaulted in repayment of dues to banks / Financial Institutions. The company does not have any borrowings from government or Debenture Holders.
- x) In our opinion and according to the information and explanations given to us, the term loans taken by the company have been ultimately utilised for the purpose for which they were taken.
- xi) (a) The Company has not raised any moneys during the year by way of initial public offer or further public offer (including debt instruments) Accordingly, clause 3(x)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.
- xii) Based on the audit procedures performed by us for the purpose of reporting the true and fair view of the Standalone 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.
- xiii) The company is not a Nidhi Company and hence the reporting requirements under clause (xii) of paragraph 3 of the order are not applicable.
- xiv) 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.
- xv) (a) Based on information and explanations provided to us and our audit procedures, 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 of the Company issued till date for the period under audit.
- xvi) The Company has not incurred cash losses in the current and in the immediately preceding financial year.
- xvii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.



**VARANASI SANGAM EXPRESSWAY PRIVATE LIMITED**

**Independent Auditors' Report on standalone financial statements (Continued)**

- xviii) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, 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 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 up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xix) 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.
- xx) 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.
- xxi) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of section 135 of the Act pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

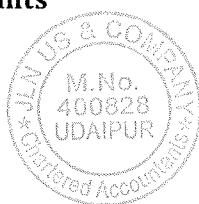
**For JLN US & Company**  
**Chartered Accountants**  
**FRN 101543W**



**CA Mahesh Menaria**  
**Partner**

**M No. 400828**

**UDIN: 23400828BGWIAH5212**



**Udaipur, May 11, 2023**

## **VARANASI SANGAM EXPRESSWAY PRIVATE LIMITED**

### **Independent Auditors' Report on standalone financial statements (*Continued*)**

#### **Annexure - II to the Independent Auditors Report**

**Referred to in our report of even date, to the members of VARANASI SANGAM EXPRESSWAY 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 VARANASI SANGAM EXPRESSWAY PRIVATE LIMITED ("the Company") as of March 31, 2023 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

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

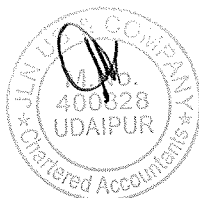
The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial 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 Standalone 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.



## **VARANASI SANGAM EXPRESSWAY PRIVATE LIMITED**

### **Independent Auditors' Report on standalone financial statements (Continued)**

#### **Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Standalone Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the Standalone Financial Statements.

#### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

#### **Opinion**

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

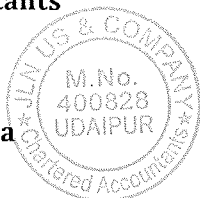
**For JLN US & Company**  
**Chartered Accountants**

**FRN 101543W**

**CA Mahesh Menaria**  
**Partner**

**M No. 400828**

**UDIN: 23400828BGWIAH5212**



**Udaipur, May 11, 2023**

# Varanasi Sangam Expressway Private Limited

CIN U45500RJ2017PTC057753

Balance Sheet

as at 31 March 2023

Particulars	Ref Note No.	₹ in Lakhs	
		As at 31 March 2023	As at 31 March 2022
<b>Assets</b>			
<b>Non-current assets</b>			
(a) Financial assets			
(i) Other financial assets	4	1,19,946.46	1,10,642.07
(b) Other non-current assets	5	2,832.22	7,560.74
(c) Tax assets	6	2,947.25	1,569.70
<b>Total non-current assets</b>		<b>1,25,725.93</b>	<b>1,19,772.51</b>
<b>Current assets</b>			
(a) Financial assets			
(i) Investments	7	507.66	-
(ii) Trade receivables	8	199.61	279.32
(iii) Cash and cash equivalents	9	474.19	9,131.22
(iv) Other bank balances	10	10,287.47	410.00
(v) Other financial assets	4	8,850.25	6,857.26
(b) Other current assets	5	6,475.75	4,390.26
<b>Total current assets</b>		<b>26,794.93</b>	<b>21,068.06</b>
<b>Total assets</b>		<b>1,52,520.86</b>	<b>1,40,840.57</b>
<b>Equity and liabilities</b>			
(a) Equity share capital	11	3,889.00	3,889.00
(b) Other equity	12	26,779.78	11,376.30
<b>Total equity</b>		<b>30,668.78</b>	<b>15,265.30</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	13	1,03,347.18	1,13,183.77
(b) Deferred tax liabilities (net)	23	9,360.70	4,203.62
<b>Total non-current liabilities</b>		<b>1,12,707.88</b>	<b>1,17,387.39</b>
<b>Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	13	8,542.50	7,684.76
(ii) Trade payables - total outstanding dues of	14		
(a) micro enterprises and small enterprises		0.36	0.33
(b) creditors other than micro enterprises and small enterprises		513.39	360.43
(iii) Other financial liabilities	15	0.65	0.50
(b) Other current liabilities	16	87.30	141.86
<b>Total current liabilities</b>		<b>9,144.20</b>	<b>8,187.88</b>
<b>Total liabilities</b>		<b>1,21,852.08</b>	<b>1,25,575.27</b>
<b>Total equity and liabilities</b>		<b>1,52,520.86</b>	<b>1,40,840.57</b>
Basis of preparation, measurement and significant accounting policies	2 - 3		
Notes on financial statements	4 - 35		

The notes referred above are an integral part of these financial statements.

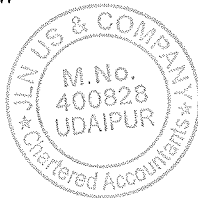
As per our report of even date


For and on behalf of the Board of Directors

For JLN US AND COMPANY  
Chartered Accountants  
Firm's Reg. No. 101543W



CA Mahesh Menaria  
Partner  
Membership No: 400828  
Place: Udaipur  
Date: 11 May 2023

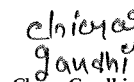


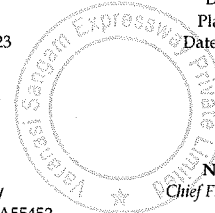
 Ajendra Kumar Agarwal  
Chief Executive Officer

Place: Gurugram  
Date: 11 May 2023

Vikas Agarwal  
Director  
DIN : 03113689  
Place: Gurugram  
Date: 11 May 2023

Varun Bhasin  
Director  
DIN : 03262761  
Place: Gurugram  
Date: 11 May 2023

 Chirag Gandhi  
Company Secretary  
ICSI Memb. No.: A55452  
Place: Gurugram  
Date: 11 May 2023



 Namita Somani  
Chief Financial Officer  
Place: Udaipur  
Date: 11 May 2023



# Varanasi Sangam Expressway Private Limited

CIN U45500RJ2017PTC057753

Statement of Profit and Loss

for the year ended 31 March 2023

₹ in Lakhs			
Particulars	Ref Note No.	For the year ended 31 March 2023	For the year ended 31 March 2022
<b>Income</b>			
Revenue from operations	17	30,941.75	13,170.20
Other income	18	666.19	327.70
<b>Total income</b>		<b>31,607.94</b>	<b>13,497.90</b>
<b>Expenses</b>			
Construction costs	19	833.83	749.00
Employee benefits expense	20	7.34	6.00
Finance costs	21	9,572.33	9,704.24
Other expenses	22	633.88	701.13
<b>Total expenses</b>		<b>11,047.38</b>	<b>11,160.37</b>
<b>Profit before tax</b>		<b>20,560.56</b>	<b>2,337.53</b>
<b>Tax expense:</b>			
Current tax	23	-	-
Adjustment of income tax related to earlier periods	23	-	-
Deferred tax charge	23	5,157.08	589.74
<b>Total tax expenses</b>		<b>5,157.08</b>	<b>589.74</b>
<b>Profit for the year</b>		<b>15,403.48</b>	<b>1,747.79</b>
<b>Total comprehensive income for the year</b>		<b>15,403.48</b>	<b>1,747.79</b>
<b>Earnings per share</b>			
(Nominal value of share Rs.10 each)			
Basic (Rs.)	31	39.61	4.49
Diluted (Rs.)	31	39.61	4.49
Basis of preparation, measurement and significant accounting policies	2 - 3		
Notes on financial statements	4 - 35		

The notes referred above are an integral part of these financial statements

As per our report of even date attached

For and on behalf of the Board of Directors

For JLN US AND COMPANY  
Chartered Accountants  
Firm's Reg. No. 101543W

CA Mahesh Menaria  
Partner  
Membership No: 400828  
Place: Udaipur  
Date: 11 May 2023



Ajendra Kumar Agarwal  
Chief Executive Officer  
Place: Gurugram  
Date: 11 May 2023

Vikas Agarwal  
Director  
DIN : 03113689  
Place: Gurugram  
Date: 11 May 2023

Varun Bhasin  
Director  
DIN : 03262761  
Place: Gurugram  
Date: 11 May 2023

Chirag Gandhi  
Company Secretary  
ICSI Memb. No.: A55452  
Place: Gurugram  
Date: 11 May 2023

Namita Somani  
Chief Financial Officer  
Place: Udaipur  
Date: 11 May 2023

# Varanasi Sangam Expressway Private Limited

CIN U45500RJ2017PTC057753

Statement of Changes in Equity  
for the year ended 31 March 2023

## A. Equity Share Capital

₹ in Lakhs		
Particulars	Number of shares	Amount
Balance as at 1 April 2021	3,88,90,000	3,889.00
Changes in Equity Share Capital due to prior period errors	-	-
Changes in equity share capital during the year	-	-
Balance as at 31 March 2022	3,88,90,000	3,889.00
Changes in Equity Share Capital due to prior period errors	-	-
Changes in equity share capital during the year	-	-
Balance as at 31 March 2023	3,88,90,000	3,889.00

## B. Other Equity

₹ in Lakhs			
Particulars	Retained Earnings	Debenture redemption reserve	Total
Balance as at 1 April 2021	9,628.51	-	9,628.51
Total comprehensive income for the year ended 31 Mar 2022			
Profit for the year	1,747.79		1,747.79
Items of other comprehensive income for the year, net of taxes			
Transfer to debenture redemption reserve	(7,630.25)	7,630.25	
Total comprehensive income for the year	(5,882.46)	7,630.25	1,747.79
Balance as at 31 March 2022	3,746.05	7,630.25	11,376.30
Total comprehensive income for the year ended 31 Mar 2023			
Profit for the year	15,403.48		15,403.48
Items of other comprehensive income for the year, net of taxes			
Transfer from debenture redemption reserve	434.78	(434.78)	
Total comprehensive income for the year	15,838.26	(434.78)	15,403.48
Balance as at 31 March 2023	19,584.31	7,195.47	26,779.78

Basis of preparation, measurement and significant accounting policies  
Notes on financial statements

2 - 3  
4 - 35

The notes referred above are an integral part of these financial statements

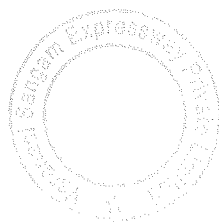
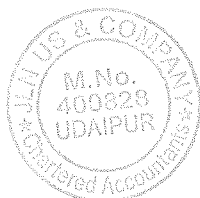
For and on behalf of the Board of Directors

As per our report of even date attached

For JLN US AND COMPANY  
Chartered Accountants  
Firm's Reg. No. 101543W



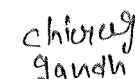
CA Mahesh Menaria  
Partner  
Membership No: 400828  
Place: Udaipur  
Date : 11 May 2023



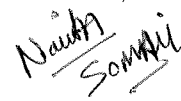
Ajendra Kumar Agarwal  
Chief Executive Officer

Place: Gurugram  
Date : 11 May 2023

Vikas Agarwal  
Director  
DIN : 03113689  
Place: Gurugram  
Date : 11 May 2023

  
Chirag Gandhi  
Company Secretary  
ICSI Memb. No.: A55452  
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Date : 11 May 2023

  
Namita Somani  
Chief Financial Officer  
Place: Udaipur  
Date : 11 May 2023

# Varanasi Sangam Expressway Private Limited

CIN U45500RJ2017PTC057753

## Statement of Cash Flows

for the year ended 31 March 2023

₹ in Lakhs			
Particulars	Ref Note No.	For the year ended 31 March 2023	For the year ended 31 March 2022
<b>Cash flows from operating activities</b>			
Profit before tax		20,560.56	2,337.53
Adjustments for:			
Interest income		(666.19)	(327.70)
Finance costs		9,572.33	9,704.24
<b>Operating profit before working capital changes</b>		<b>29,466.70</b>	<b>11,714.07</b>
<b>Working capital adjustments :</b>			
(Increase) / Decrease in financial and non-financial assets		(8,654.34)	9,139.47
Decrease in trade receivables		79.71	328.21
Increase / (Decrease) in trade payables		152.98	(3,499.39)
(Decrease) in provisions, financial and non-financial liabilities		(54.41)	(15.62)
<b>Cash generated from operating activities</b>		<b>20,990.64</b>	<b>17,666.74</b>
Income tax paid (net)		(1,377.55)	(1,435.98)
<b>Net cash generated from operating activities (A)</b>		<b>19,613.09</b>	<b>16,230.76</b>
<b>Cash flows from investing activities</b>			
Interest received		226.70	93.72
(Investments) in Mutual Fund		(487.00)	-
Investment / (Redemptions) in bank deposits (net)		(9,458.64)	1,936.95
<b>Net cash (used in) / generated from investing activities (B)</b>		<b>(9,718.94)</b>	<b>2,030.67</b>
<b>Cash flows from financing activities</b>			
Interest paid		(8,390.53)	(7,427.30)
Repayment of non-current borrowings		(10,160.65)	(24,994.21)
Proceeds from non-current borrowings		-	21,989.00
<b>Net cash (used in) from financing activities (C)</b>		<b>(18,551.18)</b>	<b>(10,432.51)</b>
<b>Net (decrease) / increase in cash and cash equivalents (A+B+C)</b>		<b>(8,657.03)</b>	<b>7,828.92</b>
<b>Cash and cash equivalents at 1 April</b>		<b>9,131.22</b>	<b>1,302.30</b>
<b>Cash and cash equivalents at 31 March</b>		<b>474.19</b>	<b>9,131.22</b>

### Notes:

₹ in Lakhs			
1	Cash and cash equivalents comprises of (refer note 9)	Ref Note No.	
		As at 31 March 2023	As at 31 March 2022
	Cash and cash equivalents		
	Balances with banks:		
	- Current accounts	474.19	9,131.22
	<b>Cash and cash equivalents at end of the year</b>	<b>474.19</b>	<b>9,131.22</b>

2 The above Statement of Cash Flow has been prepared under the "Indirect Method" as set out in Indian Accounting Standard (Ind AS) - 7 "Statement of Cash Flows".

₹ in Lakhs			
3	Changes in liabilities arising from financing activities in terms of Ind AS 7:		
		As at 1 April 2022	As at 31 March 2023
	Non-current borrowings	1,20,868.53	1,11,889.68
	<b>Total</b>	<b>1,20,868.53</b>	<b>1,11,889.68</b>
		As at 1 April 2021	As at 31 March 2022
	Non-current borrowings	1,21,596.80	1,20,868.53
	<b>Total</b>	<b>1,21,596.80</b>	<b>1,20,868.53</b>

4 Figures in brackets represent outflows.

Basis of preparation, measurement and significant accounting policies

2 - 3

Notes on financial statements

4 - 35

The notes referred above are an integral part of these financial statements

As per our report of even date attached

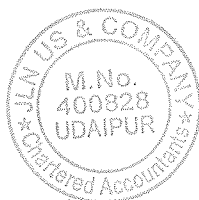
For and on behalf of the Board of Directors

For JLN US AND COMPANY

Chartered Accountants  
Firm's Reg. No. 101543W

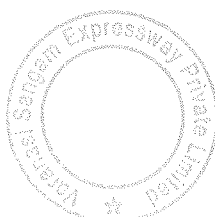
*(Signature)*

CA Mahesh Menaria  
Partner  
Membership No: 400828  
Place: Udaipur  
Date: 11 May 2023



Ajendra Kumar Agarwal  
Chief Executive Officer

Place: Gurugram  
Date: 11 May 2023



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Director  
DIN : 03113689  
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Company Secretary  
ICSI Memb. No.: A55452  
Place: Gurugram  
Date: 11 May 2023

Varun Bhasin  
Director  
DIN : 03262761  
Place: Gurugram  
Date: 11 May 2023

*(Signature)*  
Namita Somani  
Chief Financial Officer  
Place: Udaipur  
Date: 11 May 2023

# Varanasi Sangam Expressway Private Limited

## Notes to the financial statements

for the year ended 31 March 2023

### 1. Reporting entity

Varanasi Sangam Expressway Private Limited ('the Company') having Registered office at GR House, Hiran Magri, Sector 11, Udaipur, Rajasthan, 313002 was incorporated in Udaipur Rajasthan, India on April 17, 2017 as a Private limited company under the Companies Act, 2013 (the 'Act') as a subsidiary of G R Infraprojects Limited.

The Company is formed as a special purpose vehicle (SPV) to design, build, operate and transfer basis, ("DBOT Annuity" or "Hybrid Annuity") the project relating to Six Laning of Handia Varanasi Section of NH -2 from km 713.146 to km 785.544 (Approx.72.398 km) in the State of Uttar Pradesh under NHDP Phase -V on Hybrid annuity mode. The company has entered into concession agreement with the National Highway Authority of India ("NHAI") dated 21st August, 2018.

The Financial Statements were approved for issue in accordance with a resolution of the board of directors on 11 May 2023.

### 2. Basis of preparation

#### a. Statement of compliance

These financial statements 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'), Companies (Indian Accounting Standards) Rules, 2015 as amended by Companies (Indian Accounting Standards) (Amendment) Rules, 2016 and other relevant provisions of the Act.

Details of the Company's accounting policies are included in Note 3.

#### b. Functional and presentation currency

These financial statements are presented in Indian Rupees (Rs.), which is also the Company's functional currency. All amounts have been rounded-off to the nearest lakhs, unless otherwise indicated.

#### c. Basis of measurement

The financial statements have been prepared on the historical cost using accrual basis of accounting except certain financial instruments measured at fair values.

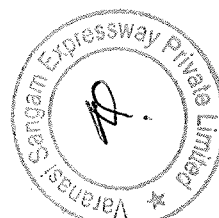
#### d. Significant accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, 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.

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.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

The following are the significant judgements, apart from those involving estimations, that the directors have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the financial statement.



# Varanasi Sangam Expressway Private Limited

## Notes to the financial statements (continued)

for the year ended 31 March 2023

### i. Revenue recognition:

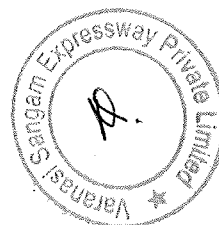
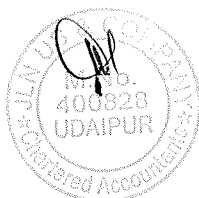
Revenue recognition from construction contracts involves significant degree of judgements and estimation such as identification of contractual obligations, measurement and recognition of contract assets, change of scope and determination of onerous contract which include estimation of contract costs.

### ii. Other significant assumptions and estimation:

The following are the key assumptions concerning the future, and other estimation and assumption at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year

### Assumptions and estimation uncertainties

Fair value measurement and valuation process	Where assets and liabilities are measured at fair value for the financial reporting purposes, the Company determines the appropriate valuation techniques and inputs for fair value measurements.
Trade receivable and contract assets	In assessing the recoverability of the trade receivables and contracts assets, management's judgement involves consideration of aging status, evaluation of litigations and the likelihood of collection based on the terms of the contract.
Provision	Estimates of provision on matter which under litigation
Tax	Significant judgments are required in determining the provision for income taxes, including the amount expected to be paid / recovered for uncertain tax positions.





# Varanasi Sangam Expressway Private Limited

## Notes to the financial statements (continued)

for the year ended 31 March 2023

### 3. Significant accounting policies

#### a. Current versus non-current classification

The Company presents assets and liabilities in the Balance Sheet based on current/non-current classification. An asset is current when it is:

- Expected to be realized or intended to be sold or consumed in the 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 terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

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

#### Operating cycle

The operating cycle for project is the time from start of the project to their realization in cash or cash equivalents. The Company adopted operating cycle based on project period and accordingly all project related assets and liabilities are classified into current and non-current. Other than project related assets and liabilities, 12 months period is considered as normal operating cycle.

#### b. Foreign currency transaction

Transactions in foreign currencies are translated into the respective functional currencies of the Company at the exchange rates at the date of the transaction or at an average rate if the average rate approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Exchange differences are recognised in profit or loss.

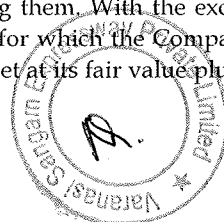
#### c. Financial instruments

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

##### i Financial Assets - Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of



# Varanasi Sangam Expressway Private Limited

## Notes to the financial statements (continued)

for the year ended 31 March 2023

a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price determined under Ind AS 115. Refer to the accounting policies of Revenue from contracts with customers.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

### ii Subsequent measurement

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

- Financial assets at amortised cost (debt instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss

#### *Financial assets at amortized cost (debt instruments)*

A financial asset is measured at amortised cost if it meets both of the following conditions are met:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

#### *Financial assets at fair value through Other comprehensive income (FVOCI) (equity instrument)*

Upon initial recognition, the Company can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under Ind AS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis. Equity instruments which are held for trading and contingent consideration recognized by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL.

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognized as other income in the statement of profit and loss when the right of payment has been established, except when the Company benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.



# Varanasi Sangam Expressway Private Limited

## Notes to the financial statements (continued)

for the year ended 31 March 2023

The Company elected to classify irrevocably its non-listed equity investments under this category.

### *Financial assets at fair Value through Profit and Loss (FVTPL)*

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset.

### **iii Derecognition**

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

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material 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.

Further, the contractual terms of the existing financial assets are substantially modified, such modification is treated as the derecognition of original financial asset and the recognition of a new financial asset. Such newly recognized financial asset is measured at fair value on initial recognition. The difference in respective carrying amount, if any, is recognized in the Statement of Profit and Loss. If the modification of a financial asset does not result in its derecognition, then the gross carrying amount of the financial asset is recalculated at original effective interest rate and the resulting gain or loss is recognized in the Statement of Profit and Loss.

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.

### **iv Impairment of financial instruments**

At each reporting date, the Company assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being past due for 90 days or more;
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganization; or
- the disappearance of an active market for a security because of financial difficulties.

Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company measures loss allowances at an amount equal to lifetime expected credit losses for all trade receivable



# Varanasi Sangam Expressway Private Limited

## Notes to the financial statements (continued)

for the year ended 31 March 2023

and/or contract assets that do not constitute a financing transaction, For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

### v 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, payables, or as derivatives designated as not designated as hedging instruments, 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.

### vi Subsequent measurement

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- Financial liabilities at fair value through profit or loss
- Financial liabilities at amortised cost (loans and borrowings)

#### *Financial liabilities at fair value through profit or loss*

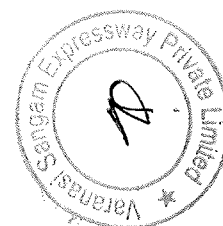
Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose 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. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

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

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ losses are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss. The Company has not designated any financial liability as at fair value through profit or loss.

#### *Financial liabilities at amortised cost (Loans and borrowings)*

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 derecognised 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.



# Varanasi Sangam Expressway Private Limited

## Notes to the financial statements (continued)

for the year ended 31 March 2023

### vii Derecognition

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

### viii Reclassification of financial assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets, such as equity instruments designated at FVTPL or FVOCI and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets.

### ix Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

## d. Fair values measurement

The Company measures financial instrument, such as derivative, investment and mutual fund at fair values at each balance sheet date.

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:

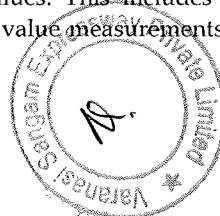
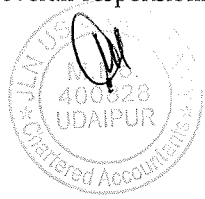
**Level 1:** quoted prices (unadjusted) in active markets for identical assets or liabilities.

**Level 2:** Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

**Level 3:** Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company has an established control framework with respect of fair values. This includes a financial reporting team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values.



# Varanasi Sangam Expressway Private Limited

## Notes to the financial statements (continued)

for the year ended 31 March 2023

The financial reporting team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as pricing services, is used to measure fair values, then the financial reporting team assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

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.

### e. Property, plant and equipment

#### i. Recognition and measurement

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any.

Cost of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in statement of profit and loss.

#### ii. Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

#### iii. Derecognition

The carrying amount of an item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. The consequential gain or loss is measured as the difference between the net disposal proceeds and the carrying amount of the item and is recognized in the Statement of Profit and Loss.

#### iv. Depreciation

Depreciation on property, plant and equipment is calculated on straight line basis over the estimated useful lives as prescribed under schedule II of the Act.

### f. Intangible assets

#### i. Recognition and measurement

Intangible assets including those acquired by the Company are initially measured at cost. Such intangible assets are subsequently measured at cost less accumulated amortisation and any accumulated impairment losses.

#### ii. Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in profit or loss as incurred.

#### iii. Derecognition

The carrying amount of an intangible asset is derecognised on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from the Derecognition of an intangible asset is





# Varanasi Sangam Expressway Private Limited

## Notes to the financial statements (continued)

for the year ended 31 March 2023

measured as the difference between the net disposal proceeds and the carrying amount of the intangible asset and is recognised in the Statement of Profit and Loss when the asset is derecognised.

### iv. Amortisation

Amortisation is calculated to write off the cost of the intangible assets less their estimated residual values over their estimated useful lives using the straight-line method and is included in depreciation and amortisation in financial statement.

### g. Inventories

Inventories are measured at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

- Raw materials and Construction material: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average cost method.
- Finished goods: cost includes cost includes direct materials, labour, a proportion of manufacturing overheads based on normal operating capacity and excise duty. Cost is determined on weighted average cost method.
- Real estate: Land and building held as real estate inventory is valued at cost or net realizable value whichever is lower. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

The Company written down inventory where the net realizable value is estimated to be lower than the inventory carrying value because of slow or non-moving inventories as per policy consistently followed by the Company.

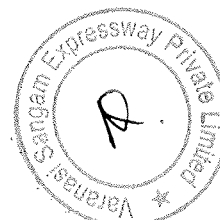
### h. Impairment of non-financial assets

The Company assesses at each reporting date, whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated. The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

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. The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment loss are reduce from the carrying amounts of the assets of the CGU (or group of CGUs).

In respect of assets for which impairment loss has been recognised in prior periods, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.



# Varanasi Sangam Expressway Private Limited

## Notes to the financial statements (continued)

for the year ended 31 March 2023

### i. Employee benefits

#### Short-term employee benefits

All employee benefits falling due wholly within twelve months of rendering the service are classified as short-term employee benefits. Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

### j. Provisions and contingencies (other than for employee benefits)

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are measured based on management's estimate required to settle the obligation at the balance sheet date and are discounted the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.

#### Contingencies

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

### k. Revenue from contracts with customer

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company assesses promises in the contract that are separate performance obligations to which a portion of transaction price is allocated.

Revenue is measured based on the transaction price as specified in the contract with the customer. It excludes taxes or other amounts collected from customers in its capacity as an agent.

The accounting policies for the specific revenue streams of the Company as summarized below:

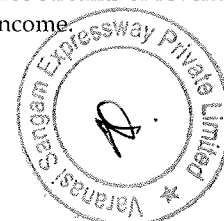
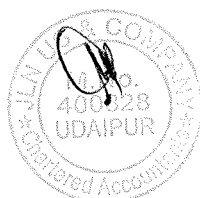
#### i. Revenue from Service Concession Arrangement

Service concession arrangements (SCA) refers to the arrangement between the grantor (a public sector entity) and the operator (a private sector entity) to provide service that give the public access to major economic and social facilities utilising private sector funds and expertise.

With respect to the SCA, revenue and cost are allocated between those relating to the construction services and those related to the operation and maintenance services, and accounted for separately.

The Company constructs the infrastructure (road) used to provide a public service and operates and maintains that infrastructure for a specified period of time. Under Appendix D to Ind AS 115 - Revenue from Contracts with Customers, this arrangement is accounted for based on the nature of the consideration. The intangible asset is used to the extent that the Company receives a right to charge the users of the public service. The financial asset is used when the Company has an unconditional right to receive cash or another financial asset from or at the direction of the grantor for the construction services.

Design -Build-Operate-Transfer (DBOT) contracts on hybrid annuity basis contain three streams of revenue - Construction revenue, financing income and Operations and maintenance (O&M) income.



# Varanasi Sangam Expressway Private Limited

## Notes to the financial statements (continued)

for the year ended 31 March 2023

- Construction stream of DBOT revenues are accounted based on the stage of completion of the work performed. The stage of completion is assessed by reference to input method
- O&M income is recognised when it has right to received consideration during the operating phase of the DBOT; and
- Finance income is recognised over a concession period based on the implicit rate of return embedded in the projected cash flow.

Revenue from construction of contracts is recognised by applying percentage of completion method after providing for foreseeable losses, if any. percentage of completion method is determined as a proportion of the cost incurred up to the reporting date to the total estimated cost to complete. Foreseeable losses, if any on the contracts is recognised as expense in the period in which it is foreseen, irrespective of the stage of completion of the contract. While determining the amount of foreseeable loss, all elements of cost and related incidental income not included in contract revenue is taken into consideration. Contract is reflected at cost that are expected to be recoverable till such time the outcome of the contract cannot be ascertained reliably and at realisable value thereafter.

### ii. Variable consideration

The nature of the Company's contracts gives rise to several types of variable consideration, including claims, bonus, unpriced change orders, award and incentive fees, change in law, liquidated damages and penalties. The company estimates the amount of revenue to be recognized on variable consideration using the expected value (i.e., the sum of a probability-weighted amount) or the most likely amount method, whichever is expected to better predict the amount.

The Company's claim for extra work, incentives and escalation in rates relating to execution of contracts are recognized as revenue in the year in which said claims are finally accepted by the clients. Claims under arbitration/disputes are accounted as income based on final award. Expenses on arbitration are accounted as incurred.

### iii. Significant financing component

Generally, the Company receives short-term advances from its customers. Using the practical expedient in Ind AS 115, the Company does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the transfer of the promised good or service to the customer and when the customer pays for that good or service will be one year or less.

### iv. Contract modifications

Contract modifications are accounted for when additions, deletions or changes are approved either to the contract scope or contract price. The accounting for modifications of contracts involves assessing whether the services added to the existing contract are distinct and whether the pricing is at the standalone selling price. Services added that are not distinct are accounted for on a cumulative catch up basis, while those that are distinct are accounted for prospectively, either as a separate contract, if additional services are priced at the standalone selling price, or as a termination of existing contract and creation of a new contract if not priced at the standalone selling price.

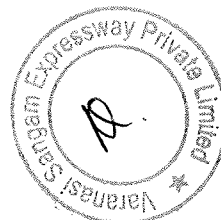
### v. Cost to fulfill the contract

The Company recognises asset from the cost incurred to fulfill the contract such as camp set up and mobilisation costs which is amortises it over the contract tenure on a systematic basis that is consistent with the transfer to the customer of the goods or services to which the asset relates.

### vi. Contract balances

#### Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional.



# Varanasi Sangam Expressway Private Limited

## Notes to the financial statements (continued)

for the year ended 31 March 2023

### Trade receivables

A receivable is recognised if an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section "Financial instruments – initial recognition and subsequent measurement".

### Receivable under Service Concession Arrangement

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

The Company recognises the considerations given by the grantor or other government bodies in accordance with Appendix C- 'Service Concession Arrangements' of Ind AS 115- 'Revenue from Contracts with Customers'. The Company classifies the Contract Asset as financial asset to the extent that it has an unconditional contractual right to receive cash. As per Service Concession Arrangement the financial assets needs to be recognised in accordance with Ind AS 109. Ind AS 109 requires a financial asset to be measured at its fair value and any difference between the initial measurement of the financial asset in accordance with Ind AS 109 and the contract asset recognised under Ind AS 115 to be presented as an expense.

### Contract liabilities

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

## 1. Leases

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

### i. Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets.

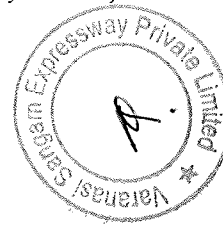
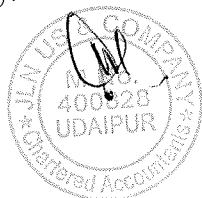
Lease term which is a non-cancellable period together with periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. The Company uses judgement in assessing the lease term (including anticipated renewals/termination options).

The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

### Right of use of Assets

The Company recognises a right-of-use asset and a lease liability at the lease commencement date (i.e., the date the underlying asset is available for use). The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right-of-use asset reflects that the Company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re measurements of the lease liability.



# Varanasi Sangam Expressway Private Limited

## Notes to the financial statements (continued)

for the year ended 31 March 2023

### Lease liabilities

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease or, if that rate cannot be readily determined. After the commencement date, lease liability is increased to reflect the accretion of interest and reduced for the lease payment made.

Lease payments included in the measurement of the lease liability comprises of fixed payments, including in-substance fixed payments, amounts expected to be payable under a residual value guarantee and the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option.

The lease liability is measured at amortised cost using the effective interest method. Modifications to a lease agreement beyond the original terms and conditions are generally accounted for as a re-measurement of the lease liability with a corresponding adjustment to the ROU asset. Any gain or loss on modification is recognized in the Statement of Profit & Loss. However, the modifications that increase the scope of the lease by adding the right to use one or more underlying assets at a price commensurate with the stand-alone selling price are accounted for as a separate new lease. In case of lease modifications, discounting rates used for measurement of lease liability and ROU assets is also suitably adjusted.

### Short-term leases and leases of low-value assets

The Company has elected not to recognise right of use assets and lease liabilities for short term leases of all the assets that have a lease term of twelve months or less with no purchase option and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.

#### ii. Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset is classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee.

### m. Recognition of interest income or expense, Insurance claim received

Interest income or expense is recognised using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

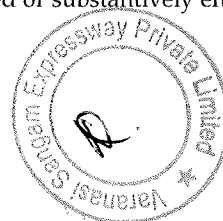
- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.
- Insurance claims are accounted for on the basis of claims admitted/expected to be admitted and to the extent that there is no uncertainty in receiving the claims.

### n. Income tax

Income tax comprises of current and deferred tax. It is recognised in the statement of profit and loss except to the extent that it relates to an item recognised directly in equity or in OCI.

#### i Current tax

Current tax comprises of the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.





# Varanasi Sangam Expressway Private Limited

## Notes to the financial statements (continued)

for the year ended 31 March 2023

### ii Deferred tax

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax liabilities are recognised for all taxable temporary differences. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

### o. Borrowing cost

Borrowing costs are interest and other incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

### p. Earnings per Share

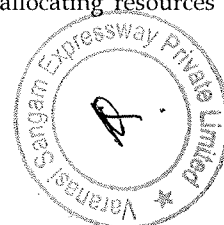
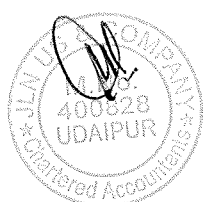
Basic earnings per share is computed by dividing the net profit for the period attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

In a capitalisation or bonus issue or a share split, ordinary shares are issued to existing shareholders for no additional consideration. The number of ordinary shares outstanding before the event is adjusted for the proportionate change in the number of ordinary shares outstanding as if the event had occurred at the beginning of the earliest period presented

### q. Segments Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM) of the Company. The CODM is responsible for allocating resources and assessing performance of the operating segments of the Company.



# Varanasi Sangam Expressway Private Limited

## Notes to the financial statements (continued)

for the year ended 31 March 2023

### r. Cash and cash equivalents

Cash and Cash equivalents for the purpose of Cash Flow Statement comprise cash, drafts and cheques in hand, bank balances, unencumbered demand deposits with banks where the original maturity is three months or less and other short term highly liquid investments. Bank overdrafts that are repayable on demand and form an integral part of the Company's cash management are included as a component of cash and cash equivalent for the purpose of Cash Flow Statement.

"Cash flows are reported using the indirect method, whereby net profits / (Loss) before tax is adjusted for effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments and item of expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the company are segregated."

### s. Changes in accounting policies and disclosures

#### i. New Standards, Interpretations and Amendments adopted by the Company

The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the preparation of the Company's annual financial statements for the year ended March 31, 2022, except for amendments to the existing Indian Accounting standards (Ind AS).

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standard) Amendment Rules 2022 dated March 23, 2022, to amend the following Ind AS which are effective from April 01, 2022:

Onerous Contracts - Costs of Fulfilling a Contract - Amendments to Ind AS 37

Reference to the Conceptual Framework - Amendments to Ind AS 103

Property, Plant and Equipment: Proceeds before Intended Use - Amendments to Ind AS 16

Ind AS 109 Financial Instruments - Fees in the '10 per cent' test for derecognition of financial liabilities

The Company applies for the accounting period beginning on or after 1st April 2022 and these do not have an impact on the financial statements of the Company.

#### ii. Standards notified but not yet effective

The amendments to standards that are issued, but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below. The Company intends to adopt these standards, if applicable, as and when they become effective. The Ministry of Corporate affairs (MCA) has notified certain amendments to Ind AS, through Companies (Indian Accounting Standards) Amendment Rules, 2023 on 31st March, 2023. The amendments have been made in the following standards:

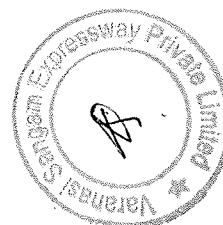
Ind AS 1: Presentation of Financial Statements is amended to replace the term "significant accounting policies" with "material accounting policy information" and providing guidance relating to immaterial transactions, disclosure of entity specific transactions and more

Ind AS 8: Accounting Policies, Changes in Accounting Estimates and Errors to include the definition of accounting estimates as "monetary amounts in financial statements that are subject to measurement uncertainty."

Ind AS 12: Income Taxes relating to initial recognition exemption of deferred tax related to assets and liabilities arising from a single transaction.

Other Amendments in Ind AS 102 - Share based Payments, Ind AS 103 - Business Combinations, Ind AS 109 - Financial Instruments, Ind AS 115 - Revenue from Contracts with Customers which are mainly editorial in nature in order to provide better clarification of the respective Ind AS's.

These amendments shall come into force with effect from April 01, 2023. The Company is assessing the potential effect of the amendments on its financial statements. The Company will adopt these amendments, if applicable, from applicability date.



## Varanasi Sangam Expressway Private Limited

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

### 4 Other financial assets (Unsecured considered good)

Particulars	Ref Note No.	₹ in Lakhs	
		As at 31 March 2023	As at 31 March 2022
<b>Non-current</b>			
Right to receive annuity from concession grantor	29	1,19,875.08	1,10,570.69
Security and other deposits		71.38	71.38
		<u>1,19,946.46</u>	<u>1,10,642.07</u>
<b>Current</b>			
Right to receive annuity from concession grantor	29	8,103.36	6,857.26
Deposits with original maturity of more than 12 months *		746.89	-
		<u>8,850.25</u>	<u>6,857.26</u>
		<u>1,28,796.71</u>	<u>1,17,499.33</u>
# Deposits lien with banks/ lenders against Debt Service Reserve Account (DSRA) and Major Maintenance Reserve Account (MMRA).		746.89	-

### 5 Other assets (Unsecured, Considered Good)

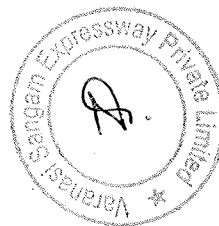
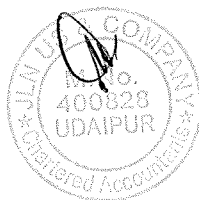
Particulars	Ref Note No.	₹ in Lakhs	
		As at 31 March 2023	As at 31 March 2022
<b>Non-current</b>			
Balance with government authorities			
GST input receivable		2,832.22	7,560.74
		<u>2,832.22</u>	<u>7,560.74</u>
<b>Current</b>			
Advance to suppliers for goods and services		0.02	0.02
Prepaid expenses		99.45	132.59
Balance with government authorities			
TDS -GST		2,817.14	2,358.14
GST input receivable		3,559.14	1,899.51
		<u>6,475.75</u>	<u>4,390.26</u>
		<u>9,307.97</u>	<u>11,951.00</u>

### 6 Tax assets

Particulars	Ref Note No.	₹ in Lakhs	
		As at 31 March 2023	As at 31 March 2022
<b>Non-current</b>			
Advance tax (net of provision for tax )		2,947.25	1,569.70
		<u>2,947.25</u>	<u>1,569.70</u>

### 7 Investments

Particulars	Ref Note No.	₹ in Lakhs	
		As at 31 March 2023	As at 31 March 2022
<b>Non-current</b>			
<b>Quoted</b>			
Mutual funds at fair value through profit or loss		507.66	-
		<u>507.66</u>	<u>-</u>



# Varanasi Sangam Expressway Private Limited

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

## 8 Trade Receivables

Particulars	Ref Note No.	₹ in Lakhs	
		As at 31 March 2023	As at 31 March 2022
<b>Current</b>			
Trade receivables		199.61	279.32
Less: Impairment allowance (allowance for bad and doubtful debts)		-	-
		<u>199.61</u>	<u>279.32</u>
<b>Break-up of Security details</b>			
Unsecured, considered good		199.61	279.32
Trade Receivables - credit impaired		-	-
		<u>199.61</u>	<u>279.32</u>
<b>Impairment Allowance (allowance for bad and doubtful debts)</b>			
Balance as at begning of the year		-	-
Add: Allowance for the year		-	-
Less: Adjustment during the year		-	-
Balance as at end of the year		<u>-</u>	<u>-</u>

Below is Trade receivables ageing schedule based on outstanding from due date of payment

	Current but not due	Outstanding for following periods from due date of payment					Total
		Less than 6 month	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
<b>31 March 2023</b>							
Undisputed Trade Receivables - considered good	-	4.57	-	22.00	86.20	86.83	199.61
<b>Total</b>	-	<u>4.57</u>	-	<u>22.00</u>	<u>86.20</u>	<u>86.83</u>	<u>199.61</u>
<b>31 March 2022</b>							
Undisputed Trade Receivables - considered good	-	106.29	-	86.20	43.72	43.12	279.32
<b>Total</b>	-	<u>106.29</u>	-	<u>86.20</u>	<u>43.72</u>	<u>43.12</u>	<u>279.32</u>

### Notes:-

- Trade Receivables are non interest bearing.
- No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

Retention money relating to construction contracts are included in above trade receivables as they are recoverable within the operating cycle of the Company.

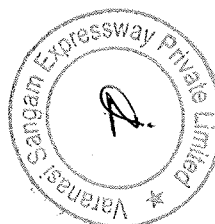
Particulars	Ref Note No.	₹ in Lakhs	
		As at 31 March 2023	As at 31 March 2022
Retention money		199.61	177.34
		<u>199.61</u>	<u>177.34</u>

## 9 Cash and cash equivalents

Particulars	Ref Note No.	₹ in Lakhs	
		As at 31 March 2023	As at 31 March 2022
Balance with banks			
in current accounts		474.19	633.80
Deposits with original maturity of less than three months *		-	8,497.42
		<u>474.19</u>	<u>9,131.22</u>
* Deposits lien with banks/ lenders against Debt Service Reserve Account (DSRA) and Major Maintenance Reserve Account (MMRA).		-	7,008.00

## 10 Other bank balances

Particulars	Ref Note No.	₹ in Lakhs	
		As at 31 March 2023	As at 31 March 2022
Deposits with remaining maturity less than 12 months #		10,287.47	410.00
		<u>10,287.47</u>	<u>410.00</u>
# Deposits lien with banks/ lenders against Debt Service Reserve Account (DSRA) and Major Maintenance Reserve Account (MMRA).		10,047.94	410.00



# Varanasi Sangam Expressway Private Limited

Notes to the financial statements (continued)  
for the year ended 31 March 2023

## 11 Equity Share capital

Particulars	₹ in Lakhs	
	As at 31 March 2023	As at 31 March 2022
<b>Authorised</b>		
3,89,00,000 (March 2022: 3,89,00,000) equity shares of Rs. 10 each	3,890.00	3,890.00
	3,890.00	3,890.00
<b>Issued, subscribed and paid up</b>		
3,89,00,000 (March 2022: 3,89,00,000) equity shares of Rs. 10 each	3,889.00	3,889.00
	3,889.00	3,889.00

Reconciliation of equity share outstanding at the beginning and at the end of the year.

Particulars	31 March 2023		31 March 2022	
	Numbers	Amount	Numbers	Amount
At the commencement of the year	3,88,90,000	3,889.00	3,88,90,000	3,889.00
Add: Issued during the year	-	-	-	-
At the end of the year	3,88,90,000	3,889.00	3,88,90,000	3,889.00

Particulars of shareholders holding more than 5% equity shares in the Company

Particulars	31 March 2023		31 March 2022	
	Numbers	% of total share in class	Numbers	% of total share in class
Equity share of Rs. 10 each fully paid-up held				
- G R Infraprojects Limited (Parent Company)	3,88,90,000	100.00	3,88,90,000	100.00

\*includes 10 equity shares are held by nominee of G R Infraprojects Limited.

Particulars of Shares held by promoters at the end of the year

Promoter name	As at March 31, 2023			As at March 31, 2022		
	No. of Shares	% of total shares	% Change during the year	No. of Shares	% of total shares	% Change during the year
G R Infraprojects Limited	3,88,90,000	100	-	3,88,90,000	100	-

Terms & Rights attached to equity shares:

The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to its share of the paid-up equity capital of the Company. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable have not been paid. Failure to pay any amount called up on shares may lead to forfeiture of the shares.

On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts in proportion to the number of equity shares held.

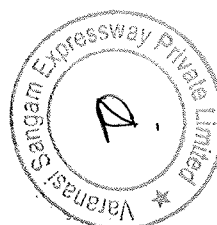
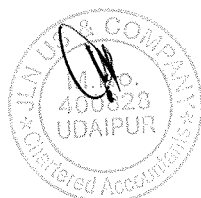
## 12 Other equity

Particulars	₹ in Lakhs		
	Retained Earnings	Debenture redemption reserve	Total
Balance as at 1 April 2021	9,628.51	-	9,628.51
Profit for the year	1,747.79		1,747.79
Transfer to debenture redemption reserve	(7,630.25)	7,630.25	-
Total comprehensive income for the year	-		-
Balance as at 31 March 2022	3,746.05	7,630.25	11,376.30
Profit for the year	15,403.48		15,403.48
Transfer from debenture redemption reserve	434.78	(434.78)	-
Total comprehensive income for the year	-		-
Balance as at 31 March 2023	19,584.31	7,195.47	26,779.78

Debenture redemption reserve ('DRR')

The company has issued redeemable non-convertible debentures and as per the Companies (Share capital and Debentures) Rules, 2014 (as amended) require the company to create Debenture Redemption Reserve ('DRR') out of profits of the company available for payment of dividend. DRR is required to be created for an amount which is equal to 10% of the value of debentures issued. DRR is required to be created over the life of debentures and upon redemption of debentures, DRR is required to be transferred to retained earning.

Considering the above, the Company has maintained the balance of DRR to the extent of 10% of the outstanding debenture by transferring amount from retained earning.



# Varanasi Sangam Expressway Private Limited

Notes to the financial statements (continued)  
for the year ended 31 March 2023

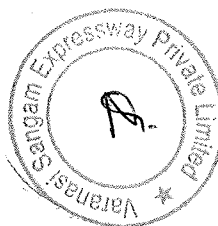
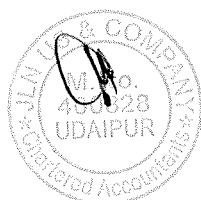
## 13 Non current borrowings

Particulars	Ref Note No.	₹ in Lakhs	
		As at 31 March 2023	As at 31 March 2022
<b>Loans from banks - Secured #</b>			
Term loan - Indian rupees		31,253.77	33,303.05
		31,253.77	33,303.05
<b>Debentures - Secured #</b>			
6.80% Listed Redeemable non convertible debentures		73,166.34	77,097.19
		73,166.34	77,097.19
<b>Loans from others - Unsecured #</b>			
Term loan - Indian rupees		7,469.57	10,468.29
		7,469.57	10,468.29
<b>Total</b>		<b>1,11,889.68</b>	<b>1,20,868.53</b>

### Notes:

- Debt Covenants:**  
The Company has satisfied all the debts covenants prescribed in the terms of respective loan/debenture agreement as at reporting date. The company has not defaulted in any loans/debenture payable.
- Undrawn borrowing facility**  
Disclosure of undrawn borrowing facilities (excluding non-fund based facilities) towards future projects to be executed by the Company is Rs Nil (31 March 2022 Rs Nil)
- In case NCD issued by Varanasi Sangam Expressway Private Limited, debentures are secured by First charges by way of hypothecation of all the fixed assets /Movable assets projects book debts, operating cash flow, receivable, revenue whatever nature, uncalled capital, Projects bank account and Assignment of all the Varanasi Sangam Expressway Private Limited's right, insurance policies and interest under all the agreement related to the projects and guarantee or performance bond provided by any party for any contract related to the projects in favour of the borrower, pledge of 51% share of equity share
- Terms of repayment of Term loan and Debentures:**

Nature of borrowings	Repayment and interest terms
Secured Term loan from bank	Repayment in 27 half-yearly installment for existing loan refinanced and 28 half-yearly installment for the top up loan repayment ranging from 2.50% to 13.50% of loan taken , along with half-yearly interest rate from 9.30% p.a. in case of Varanasi Sangam Expressway Private Limited.
6.80% Listed Redeemable non convertible debentures	Repayment in 27 half-yearly installment as defined in the repayment schedule along with interest rate ranging from 6.80% to 9.30% p.a. During the year, NCD has been issued for the existing loan refinancing.
Unsecured Loan	10.00 % for the year 2022-23 (9% for the year 2021-22) , the same shall be determined on a yearly basis as per the cost of funds of the Parent Company. Repayable from the cash flows available after meeting the senior debt obligation, in line with the waterfall mechanism as per described under the Concession Agreement / Common Loan Agreement and Escrow Agreement.





# Varanasi Sangam Expressway Private Limited

Notes to the financial statements (continued)  
for the year ended 31 March 2023

## 14 Trade payables

Particulars	Ref Note No.	₹ in Lakhs	
		As at 31 March 2023	As at 31 March 2022
Total outstanding dues of Micro and small enterprises (MSMED)		0.36	0.33
Creditors other than micro and small enterprises		513.39	360.43
		513.75	360.76

### Trade Payables Ageing Schedule

As at 31 Mar 2023	Unbilled	Outstanding for the following periods from the due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Due of micro and small enterprises (MSMED)	0.36	-	-	-	-	0.36
Due of creditors other than micro and small enterprises	6.45	502.78	4.16	-	-	513.39
Disputed dues of MSMED	-	-	-	-	-	-
Disputed dues of creditors other than MSMED	-	-	-	-	-	-
Total	6.81	502.78	4.16	-	-	513.75

As at 31 Mar 2022	Unbilled	Outstanding for the following periods from the due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Due of micro and small enterprises (MSMED)	0.32	0.01	-	-	-	0.33
Due of creditors other than micro and small enterprises	172.53	187.90	-	-	-	360.43
Disputed dues of MSMED	-	-	-	-	-	-
Disputed dues of creditors other than MSMED	-	-	-	-	-	-
Total	172.86	187.90	-	-	-	360.76

### Notes:-

- Trade payable are non interest bearing and generally have credit period of 30-90 days.
- For terms and conditions relating to related party receivables, refer Note 24
- Total outstanding dues of Micro and small enterprises

Trade payables  
Payable to related parties

₹ in Lakhs	
As at 31 March 2023	As at 31 March 2022
0.36	0.33
-	-
0.36	0.33

- Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

Particulars	31 March 2023	31 March 2022
i) The principal amount remaining unpaid to any supplier at the end of each accounting year;	0.36	0.33
ii) The interest due thereon remaining unpaid to any supplier at the end of each accounting year;	-	-
iii) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
iv) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006.	-	-
v) The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
vi) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006	-	-

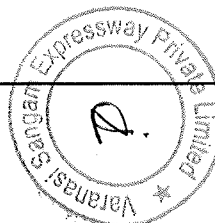
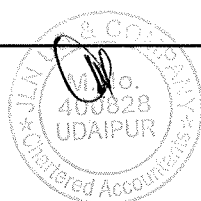
The disclosure in respect of the amount payable to enterprises which have provided goods and services to the Company and which qualify under the definition of micro and small enterprises, as defined under Micro, Small and Medium Enterprises Development Act, 2006 has been made in the standalone financial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

## 15 Other financial liabilities

Particulars	Ref Note No.	₹ in Lakhs	
		As at 31 March 2023	As at 31 March 2022
Employee related liabilities		0.65	0.50
		0.65	0.50

## 16 Other current liabilities

Particulars	Ref Note No.	₹ in Lakhs	
		As at 31 March 2023	As at 31 March 2022
Statutory dues		87.30	141.86
TDS payable		87.30	141.86



# Varanasi Sangam Expressway Private Limited

Notes to the financial statements (continued)  
for the year ended 31 March 2023

## 17 Revenue from operations

Particulars	Ref Note No.	₹ in Lakhs	
		For the year ended 31 March 2023	For the year ended 31 March 2022
Revenue from contracts with customers (Maintenance)		1,415.45	1,977.87
Revenue from contracts with customers (COS)		-	46.93
Revenue from contracts with customers (Utility)		-	95.24
Revenue from contracts with customers (Claim)		23.85	9.49
Finance income		29,502.45	11,040.67
		<u>30,941.75</u>	<u>13,170.20</u>

## 18 Other income

Particulars	Ref Note No.	₹ in Lakhs	
		For the year ended 31 March 2023	For the year ended 31 March 2022
Interest income			
- on other		8.02	14.52
- on deposits with banks		555.43	313.18
Fair value on financial assets measured at FVTPL		20.66	-
Claim Income		82.08	-
		<u>666.19</u>	<u>327.70</u>

## 19 Construction costs

Particulars	Ref Note No.	₹ in Lakhs	
		For the year ended 31 March 2023	For the year ended 31 March 2022
Civil sub-contract charges(O&M)		700.00	500.00
Civil sub-contract charges (COS)		-	46.45
Civil sub-contract charges (Utility)		-	94.29
Civil sub-contract charges (Claim)		105.69	9.38
Labour cess		28.14	98.88
		<u>833.83</u>	<u>749.00</u>

## 20 Employee benefits expense

Particulars	Ref Note No.	₹ in Lakhs	
		For the year ended 31 March 2023	For the year ended 31 March 2022
Salaries, wages and bonus		7.34	6.00
		<u>7.34</u>	<u>6.00</u>

## 21 Finance costs

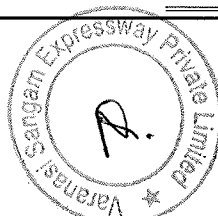
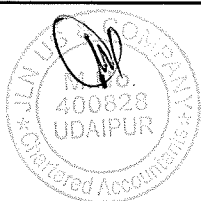
Particulars	Ref Note No.	₹ in Lakhs	
		For the year ended 31 March 2023	For the year ended 31 March 2022
Interest on Borrowing			
- banks		2,597.67	3,498.91
- others		785.37	1,374.96
- debenture		6,142.96	4,156.98
Other borrowing cost		46.33	673.39
		<u>9,572.33</u>	<u>9,704.24</u>

## 22 Other expenses

Particulars	Ref Note No.	₹ in Lakhs	
		For the year ended 31 March 2023	For the year ended 31 March 2022
Insurance expenses		198.14	217.64
Payment to auditors (refer note (i) below)		0.60	0.60
Legal and professional charges		22.65	111.87
Independent engineers fees		43.58	40.03
Electricity expenses		364.07	324.56
Misc. expenses		4.09	5.66
Annual custody fee		0.75	0.77
		<u>633.88</u>	<u>701.13</u>

### (i) Payment to auditors

Particulars	Ref Note No.	₹ in Lakhs	
		For the year ended 31 March 2023	For the year ended 31 March 2022
Payment to auditors (exclusive of GST)			
- as auditor			
- Statutory audit		0.60	0.60
- Other services		-	-
		<u>0.60</u>	<u>0.60</u>



# Varanasi Sangam Expressway Private Limited

Notes to the financial statements (continued)  
for the year ended 31 March 2023

## 23 Tax expense

The major component of income tax expenses for the year ended March 31, 2023 and March 31, 2022 are as under:

### A. Income tax (income) / expense recognised in the Statement of Profit and Loss

Particulars	31 March 2023	31 March 2022
<b>Current tax</b>		
Current tax	-	-
Tax adjustments relating to previous year	-	-
<b>Deferred tax</b>		
Attributable to-		
Origination and reversal of temporary differences (refer note D)	5,157.08	589.74
<b>Income tax expense reported in statement of profit and loss</b>	<b>5,157.08</b>	<b>589.74</b>

### B. Reconciliation of tax expenses and the accounting profit multiplied by India's domestic tax rate:

Particulars	31 March 2023	31 March 2022
<b>Profit before tax</b>	<b>20,560.56</b>	<b>2,337.53</b>
Tax using the Company's statutory tax rate	5,174.67	588.31
Effect of:		
Tax adjustments relating to previous year	(17.59)	1.43
<b>Tax expense</b>	<b>5,157.08</b>	<b>589.74</b>

### C. Deferred tax balance disclosed in Balance Sheet

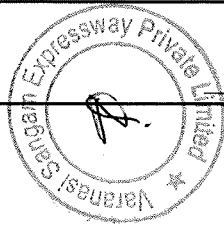
Particulars	Deferred tax (assets)	Deferred tax liabilities	Net deferred tax (assets) / liabilities
<b>As on 31 March 2023</b>			
Difference in carrying value and tax base in measurement of financial instrument at amortised cost	-	137.09	137.09
Service concession income	-	10,326.98	10,326.98
Unused tax losses	(1,108.58)	-	(1,108.58)
Gain on fair value of mutual fund	-	5.20	5.20
<b>Net deferred tax (assets) / liabilities</b>	<b>(1,108.58)</b>	<b>10,469.27</b>	<b>9,360.69</b>
<b>As on 31 March 2022</b>			
Difference in carrying value and tax base in measurement of financial instrument at amortised cost	-	148.75	148.75
Service concession income	-	6,342.01	6,342.01
Unused tax losses	(2,287.15)	-	(2,287.15)
<b>Net deferred tax (assets) / liabilities</b>	<b>(2,287.15)</b>	<b>6,490.76</b>	<b>4,203.61</b>

### D. The movement in deferred tax assets / (liabilities) during the year ended March 31 are give below:

Particulars	Balance as at 1 April 2022	Recognised in profit or loss during the year	Balance as at 31 March 2023
Difference in carrying value and tax base in measurement of financial instrument at amortised cost	148.75	(11.66)	137.09
Service concession income	6,342.01	3,984.97	10,326.98
Unused tax losses	(2,287.15)	1,178.57	(1,108.58)
Gain on fair value of mutual fund	-	5.20	5.20
	<b>4,203.61</b>	<b>5,157.08</b>	<b>9,360.69</b>
<b>Particulars</b>	<b>Balance as at 1 April 2021</b>	<b>Recognised in profit or loss during the year</b>	<b>Balance as at 31 March 2022</b>
Difference in carrying value and tax base in measurement of financial instrument at amortised cost	156.85	(8.10)	148.75
Service concession income	7,828.07	(1,486.06)	6,342.01
Unused tax losses	(4,371.05)	2,083.90	(2,287.15)
	<b>3,613.87</b>	<b>589.74</b>	<b>4,203.61</b>

### E. The Company has following available carried forward losses under Income Tax Act, 1961 for which deferred tax recognised as at Balance sheet date :

Particulars	Balance as at 31 March 2023	Balance as at 31 March 2022
	Carry Forward Losses	Carry Forward Losses
AY 2022-23	-	9,087.56
AY 2023-24	4,404.73	-
<b>Total</b>	<b>4,404.73</b>	<b>9,087.56</b>
<b>Unused tax losses recognised</b>	<b>4,404.73</b>	<b>9,087.56</b>



# Varanasi Sangam Expressway Private Limited

Notes to the financial statements (continued)  
for the year ended 31 March 2023

## 24 Related party disclosure

### A. Related parties with whom the company had transactions during the year

#### (a) Parent Company:

G R Infraprojects Limited

#### (b) Key Management Personnel ("KMP"):

Mr. Vikas Agarwal - Director

Mr. Karan Agarwal - CFO (resigned w.e.f 28 March 2022)

Ms. Suhani Jain - Director (Resigned w.e.f 29th March 2023)

Ms. Riya Parakh - Director (resigned w.e.f. 2 November 2021)

Mr. Chirag Gandhi - Company Secretary

Mr. Varun Bhasin - Director

Mr. Ajendra Kumar Agarwal - CEO

Ms. Namita Somani - CFO (appointed w.e.f 29 March 2022)

Ms. Sarita Jaisalmeria - (Appointed Additional Independent Director w.e.f 27th March 2023)

Ms. Rohini Avchar - (Appointed Additional Independent Director w.e.f 27th March 2023)

### B. Related party transactions with Parent Company and its closing balances

Nature of transaction	Transaction value	
	31 March 2023	31 March 2022
(a) Loan received		
(i) G R Infraprojects Limited	887.44	2,100.22
(b) Loan repaid		
(i) G R Infraprojects Limited	4,593.00	21,645.00
(c) Construction costs		
(i) G R Infraprojects Limited	805.69	650.12
(d) Interest Paid on unsecured loan		
(i) G R Infraprojects Limited	785.37	1,374.96

Particulars	Balance outstanding receivable/(payable)	
	31 March 2023	31 March 2022
(a) Loan payable		
(i) G R Infraprojects Limited	7,469.57	10,468.29
(b) Trade payables		
(i) G R Infraprojects Limited	501.21	338.29

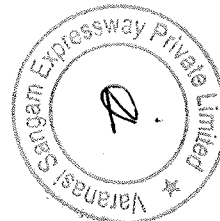
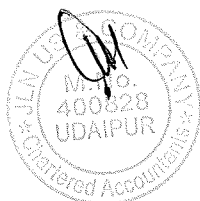
### C. Transactions with key management personnel and their closing balances:

Nature of transaction	Transaction value	
	31 March 2023	31 March 2022
(e) Remuneration		
(i) Chirag Gandhi	7.34	6.00

Particulars	Balance outstanding receivable/(payable)	
	31 March 2023	31 March 2022
(c) Balance outstanding (payable)		
(i) Chirag Gandhi	0.65	0.50

### D. Terms & Condition with Related Party

- The terms and conditions of the transactions with key management personnel and their related parties were no more favourable than those available, or those which might reasonably be expected to be available, in respect of similar transactions with non-key management personnel related entities on an arm's length basis.
- The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free except loan taken and settlement occurs in cash as per the terms of the agreement.
- The Remuneration disclosed above given to "Company Secretary" is mainly related to short term employee benefits and does not includes post employee benefits as the same is not material and hence not disclosed separately.
- The loans taken from the Parent Company is based on business needs of the company in accordance with Loan agreements of the respective entities. The loan carries interest rate of 10%.



## Varanasi Sangam Expressway Private Limited

Notes to the financial statements (continued)  
for the year ended 31 March 2023

### 25 Fair Value Measurements

#### A. Accounting classification and fair values

As at 31 March 2023

₹ in Lakhs

Particulars	FVTPL*	FVOCI**	Amortised cost	Total	Fair Value			Total
					Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	
Investments	507.66	-	-	507.66	-	507.66	-	507.66
Trade receivables	-	-	199.61	199.61	-	-	-	-
Cash and cash equivalents	-	-	474.19	474.19	-	-	-	-
Other bank balance	-	-	10,287.47	10,287.47	-	-	-	-
Other financial assets	-	-	1,28,796.71	1,28,796.71	-	-	-	-
<b>Total Financial assets</b>	<b>507.66</b>	<b>-</b>	<b>1,39,757.98</b>	<b>1,40,265.64</b>	<b>-</b>	<b>507.66</b>	<b>-</b>	<b>507.66</b>
Borrowings	-	-	1,11,889.68	1,11,889.68	-	-	-	-
Trade payable	-	-	513.75	513.75	-	-	-	-
Other financial liabilities	-	-	0.65	0.65	-	-	-	-
<b>Total Financial liabilities</b>	<b>-</b>	<b>-</b>	<b>1,12,404.08</b>	<b>1,12,404.08</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

As at 31 March 2022

₹ in Lakhs

Particulars	FVTPL*	FVOCI**	Amortised cost	Total	Fair Value			Total
					Level 1 - Quoted price in active markets	Level 2 - Significant observable inputs	Level 3 - Significant unobservable inputs	
Trade receivables	-	-	279.32	279.32	-	-	-	-
Cash and cash equivalents	-	-	9,131.22	9,131.22	-	-	-	-
Other bank balance	-	-	410.00	410.00	-	-	-	-
Other financial assets	-	-	1,17,499.33	1,17,499.33	-	-	-	-
<b>Total Financial assets</b>	<b>-</b>	<b>-</b>	<b>1,27,319.87</b>	<b>1,27,319.87</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Borrowings	-	-	1,20,868.53	1,20,868.53	-	-	-	-
Trade payable	-	-	360.76	360.76	-	-	-	-
Other financial liabilities	-	-	0.50	0.50	-	-	-	-
<b>Total Financial liabilities</b>	<b>-</b>	<b>-</b>	<b>1,21,229.79</b>	<b>1,21,229.79</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

\*FVTPL= Fair value through profit and loss

\*\*FVOCI = Fair value through other comprehensive income

The fair values of the financial assets and financial liabilities included in the level 2 category above has been determined in accordance with generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparties.

There have been no transfers between level 1 and level 2 during the years.

Valuation technique used to determine fair value:

- Inputs included in Level 1 of Fair Value Hierarchy are based on prices quoted in stock exchange and/or NAV declared by the Funds.
- Inputs included in Level 2 of Fair Value Hierarchy have been valued based on inputs from banks and other recognised institutions.
- Inputs included in Level 3 of Fair Value Hierarchy have been valued using acceptable valuation techniques such as Net Asset Value and/or Discounted Cash Flow Method.

Note: All financial instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy described as above, based on the lowest level input that is significant to the fair value measurement as a whole.

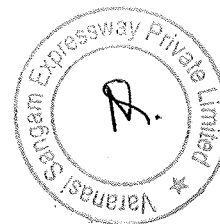
### 26 Financial instruments risk management objectives and policies

The Company's financial liabilities comprise mainly of borrowings, trade and other payables. The Company's financial assets comprise mainly of cash and cash equivalents and other receivables.

Credit risk is the risk that a 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 primarily trade receivables and other financial assets including deposits with banks. The Company's exposure and credit ratings of its counterparties are continuously monitored and the aggregate value of transactions is reasonably spread amongst the counterparties.

#### A. Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments.



# Varanasi Sangam Expressway Private Limited

Notes to the financial statements (continued)  
for the year ended 31 March 2023

## B. Credit risk

Credit risk is the risk that a 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 primarily trade receivables and other financial assets including deposits with banks. The company's exposure and credit ratings of its counterparties are continuously monitored and the aggregate value of transactions is reasonably spread amongst the counterparties.

The carrying amount of following financial assets represents the maximum credit exposure:

### Other financial assets

This comprises mainly of construction asset receivable - Receivable under service concession agreements, deposits with banks. Credit risk arising from these construction assets is limited and there is no collateral held against these because the counterparties are NHAI.

## C. Currency risk

The functional currency of the Company is Indian Rupees ("Rs."). The Company is not exposed to foreign currency risk.

## D. 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 Company is exposed to interest rate risk resulting from fluctuations in interest rates. Company's borrowing includes loan taken from banks or financial institution & unsecured loan from Parent Company. Summary of financial assets and financial liabilities has been provided below:

### Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted.

	₹ in Lakhs	
	31 March 2023	31 March 2022
<b>Fixed-rate instruments</b>		
Financial assets	11,034.36	8,907.42
Financial liabilities	-	-
<b>Variable-rate instruments</b>		
Financial assets	1,28,796.71	1,17,499.33
Financial liabilities	1,11,889.68	1,20,868.53

### Interest rate sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of change in interest rates. The following table demonstrates the sensitivity of floating rate financial instruments to a reasonably possible change in interest rates. The risk estimates provided assume a parallel shift of 100 basis points interest rate across all yield curves. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The year end balances are not necessarily representative of the average debt outstanding during the period.

### Sensitivity analysis

	₹ in Lakhs	
	Impact on profit before tax	
	31 March 2023	31 March 2022
<b>Interest rate</b>		
- increase by 100 basis points	169.07	(33.69)
- decrease by 100 basis points	(169.07)	33.69

## E. Liquidity risk

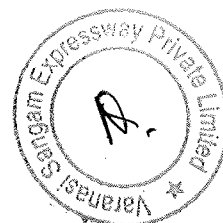
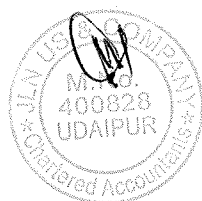
Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The Company invest in liquid mutual funds to meet the immediate obligations.

### Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted.

	₹ in Lakhs				
as at 31 March 2023	Carrying amount	Total	Contractual cash flows Less than 1 year	1-5 years	More than 5 years
Borrowings (incl. current maturities) #	1,11,889.68	1,11,889.68	8,542.50	30,325.65	73,021.53
Trade payables	513.75	513.75	509.59	4.16	-
Other current financial liabilities	0.65	0.65	0.65	-	-
<b>Total</b>	<b>1,12,404.08</b>	<b>1,12,404.08</b>	<b>9,052.74</b>	<b>30,329.82</b>	<b>73,021.53</b>
as at 31 March 2022	Carrying amount	Total	Contractual cash flows Less than 1 year	1-5 years	More than 5 years
Borrowings (incl. current maturities) #	1,20,868.53	1,20,868.53	7,684.76	28,582.95	84,600.82
Trade payables	360.76	360.76	360.76	-	-
Other current financial liabilities	0.50	0.50	0.50	-	-
<b>Total</b>	<b>1,21,229.79</b>	<b>1,21,229.79</b>	<b>8,046.02</b>	<b>28,582.95</b>	<b>84,600.82</b>

# Borrowing includes unamortised transaction cost paid to lenders on upfront basis and interest accrued.





## Varanasi Sangam Expressway Private Limited

Notes to the financial statements (continued)  
for the year ended 31 March 2023

### 27 Capital management

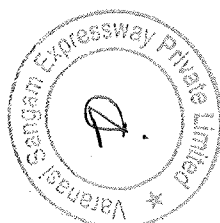
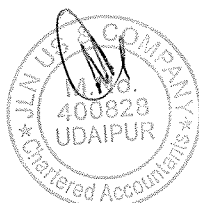
For the purpose of the Company's capital management, capital includes paid-up equity capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to ensure that it maintains a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital, to equity share holders.

The Company manages its capital structure and makes adjustments to it in the light of changes in economic conditions and the requirements of the financial covenants. Breaches in meeting the financial covenants would permit the lenders to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest bearing loans and borrowing during the year. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using Debt-Equity ratio, which is net debt divided by total equity. The Company includes within net debt, interest bearing loans and borrowings, less cash and short-term deposits.

Particulars	₹ in Lakhs	
	31 March 2023	31 March 2022
Total borrowings	1,11,889.68	1,20,868.53
Less: cash and cash equivalents	474.19	9,131.22
<b>Adjusted net debt</b>	<b>1,11,415.49</b>	<b>1,11,737.31</b>
Equity share capital	3,889.00	3,889.00
Other equity	26,779.78	11,376.30
<b>Total equity</b>	<b>30,668.78</b>	<b>15,265.30</b>
<b>Adjusted net debt to equity ratio</b>	<b>3.63</b>	<b>7.32</b>

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

28 Ratio	31 March 2023	31 March 2022	% change	Reason for change
<b>Current Ratio (in times)</b> 1 (Current assets/ Current liabilities)	2.93	2.57	13.88%	NA
<b>Debt Equity Ratio (in times)</b> ( Total Debt / Total Equity ) (Total Debt = Debt comprises of current borrowings( including current maturities of long term borrowings), non current borrowings and interest accrued on borrowings and excludes the unsecured borrowing taken and outstanding from the holding company (G R Infraprojects Limited). Total Equity (net worth) = Equity share capital+Other equity + unsecured borrowing taken from the holding company)	2.74	4.29	NA	NA
<b>Debt Service Coverage Ratio (in times)</b> 3 ( Earning before interest and tax and depreciation)/(principal repayment of non-current borrowings (excluding repayment of unsecured borrowing taken from the holding company) made during the period and finance costs )	1.88	0.95	98.54%	Due to increase in profits
<b>Return on equity ratio (%)</b> 4 (Profit for the period or year / Net worth) (Net Worth: Equity share capital+Other equity + unsecured borrowing taken and outstanding from the holding company)	40.39%	6.79%	494.66%	Due to increase in profits & net worth
<b>Inventory turnover ratio ( in times)</b> 5 ( Revenue from operation ( annualised) / Average Inventory)	NA	NA	NA	NA
<b>Trade receivables turnover ratio (in times)</b> 6 ( Revenue from operation ( annualised) / Average account receivable) (Average account receivable = Average trade receivables + average receivable under service concession agreements)	0.25	0.11	132.27%	Due to increase in revenue and right to receive annuity from concession grantor.
<b>Trade payables turnover ratio (in times)</b> 7 ( Purchases made during the year ( annualised) / Average account payable)	1.84	0.31	498.16%	Due to decrease in civil costs and trade payables.
<b>Net capital turnover ratio (in times)</b> 8 ( Revenue from operation ( annualised) / working capital) (Working capital = Current assets - Current liabilities)	1.75	1.02	71.44%	Due to increase in revenue and working capital.
<b>Net profit ratio (%)</b> 9 (Profit/(loss) for the period/Revenue from operations)	49.78%	13.27%	275.13%	Due to increase in profits & revenue
<b>Return on capital employed (%)</b> 10 (Profit before interest and taxes for the period or year / Capital employed) (Capital employed = Total assets - Current liabilities)	21.02%	9.08%	131.52%	Due to increase in profits & capital employed
<b>Return on Investment (%)</b> 11 (Income generated from investment / Cost of investment )	5.04%	3.42%	47.39%	Due to increase in investment value



## Varanasi Sangam Expressway Private Limited

Notes to the financial statements (continued)  
for the year ended 31 March 2023

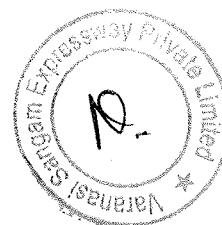
### 29 Disclosure pursuant to Para 6 of Ind AS 115 for Service Concession Arrangements

₹ in Lakhs

Name of entity	Description of the arrangement	Significant terms of the arrangement	Annuity receivable from concession grantor (including Contract assets receivables)
Varanasi Sangam Expressway Private Limited	The Company is formed as a special purpose vehicle (SPV) to design, build, operate and transfer basis, ("DBOT Annuity" or "Hybrid Annuity") the project relating to Six Laning of Handia Varanasi Section of NH -2 from km 713.146 to km 785.544 (Approx. 72.398 km) in the State of Uttar Pradesh under NHDP Phase -V, which shall be partly financed by the Concessionaire who shall recover its investment and costs through payment made by the authority, in accordance with the terms and condition set in concession agreement entered into.	Period of concession: 2017-2035 Remuneration : 40% during construction period and balance 60% in half yearly annuity in 15 years as per concession agreement Investment grant from concession grantor : No Infrastructure return at the end of concession period : Yes Investment and renewal obligations : Nil Re-pricing dates : No Basis upon which re-pricing or re-negotiation is determined : NA Premium payable to grantor : Nil PCOD Date : 02-11-2020	31 March 2023  1,27,978.44
			31 March 2022  1,17,427.95

#### Notes :

Operation and maintenance ( O&M) cost per year consist of first year amount which specified under concession agreement and installment of subsequent year O&M shall be adjusted with the price index multiple on the reference index date preceeding the due date of payment thereof.



# Varanasi Sangam Expressway Private Limited

Notes to the financial statements (continued)  
for the year ended 31 March 2023

## 30 Disclosures pursuant to Indian Accounting standard (Ind AS) 115, Revenue from Contracts with Customers

### A. Disaggregated revenue information

#### i) Type of service rendered

Sale of services  
Total

#### ii) Revenue from contracts with customers disaggregated based on geography

India  
Outside India  
Total

#### iii) Timing of Revenue recognition

Revenue from Goods and Services transferred to customers at a point in time  
Revenue from Goods and Services transferred to customers over time  
Total

₹ in Lakhs	
Year ended 31 March 2023	Year ended 31 March 2022
30,941.75	13,170.20
30,941.75	13,170.20
30,941.75	13,170.20
30,941.75	13,170.20
30,941.75	13,170.20
30,941.75	13,170.20

### B. Contract balances:

The following table provides information about receivables, contract assets and contract liabilities from the contracts with customers.

₹ in Lakhs	
Year ended 31 March 2023	Year ended 31 March 2022
Trade receivables	
Opening balance	279.32
Closing balance	199.61

The increase / decrease in trade receivables is mainly due to increase / decrease in sales.

#### Annuity receivable from concession grantor (including Contract assets receivables)

Opening balance	1,17,427.95	1,24,779.93
Closing balance	1,27,978.44	1,17,427.95

Contract assets/ financial assets (annuity receivable from concession grantor) are recognised as per Appendix D to Ind AS 115, when the Company has an unconditional right to receive cash or another financial asset from or at the direction of the grantor for the construction services.

#### Contract liabilities

Opening balance	-	-
Closing balance	-	-

Contract liabilities include advance from customers and transaction price allocated to unexpired service obligations.

### C. The amount of revenue recognized from

₹ in Lakhs	
Year ended 31 March 2023	Year ended 31 March 2022
- Performance obligations satisfied in previous years	-
- Amounts included in contract liabilities at the beginning of the year	-

### D. Performance obligation

#### i) Sales of Services:

The performance obligation is satisfied over time as the assets is under control of customer and they simultaneously receives and consumes the benefits provided by the Company. The Company received progressive payment toward provision of services.

### E. Reconciliation of the amount for revenue recognised in the Consolidated Statement of Profit and Loss with the contracted price:

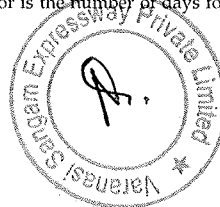
₹ in Lakhs	
Year ended 31 March 2023	Year ended 31 March 2022
Revenue as per contracted price	30,834.56
Adjustments	
Claims	107.19
Variable consideration - Performance bonus	-
Revenue from contract with customers	30,941.75

### 31 Earnings per share

		₹ in Lakhs	
Particulars	Ref Note No.	31 March 2023	31 March 2022
Face value per equity share (in Rs.)		10.00	10.00
(a) Profit for the year attributable to equity shareholders		15,403.48	1,747.79
(b) Number of equity shares at the beginning of the year		3,88,90,000	3,88,90,000
(c) Equity shares issued during the year		-	-
(d) Number of equity shares at the end of the year		3,88,90,000	3,88,90,000
(e) Weighted average number of equity shares for calculating basic EPS		3,88,90,000	3,88,90,000
(f) Weighted average number of equity shares for calculating diluted EPS		3,88,90,000	3,88,90,000
Earnings Per Share (in Rs.):			
- Basic earning per share (a/e)		39.61	4.49
- Diluted earning per share (a/f)		39.61	4.49

#### Note :

Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the year adjusted by the number of equity shares issued during the year multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the year.



Notes to the financial statements (continued)  
for the year ended 31 March 2023

### Basis for segmentation

### Information about geographical areas

### Information about major customers

Revenue of Rs 30941.75 lakhs are derived from single customer (NHAI) which amounts to 10% or more of the Company's revenue.

## ₹ in Lakhs

10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65	66	67	68	69	70	71	72	73	74	75	76	77	78	79	80	81	82	83	84	85	86	87	88	89	90	91	92	93	94	95	96	97	98	99	100
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(b) Guarantees excluding financial guarantees:

Guarantees given to third parties

Total

## B Commitments

#### (a) Other Commitments

626,95	626,95
--------	--------

- (i) The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- (ii) The Company do not have any transactions with companies struck off.
- (iii) The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (iv) The Company have not advanced or loaned or invested funds to any other persons or entities, including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
  - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
  - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (v) The Company have not received any fund from any persons or entities, 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,
- (vi) 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).
- (vii) The Company do not have any immovable property so requirements related to disclosure of "title deed not being held in the name of the company" is not applicable to the Company.
- (viii) The Company is not required to file quarterly returns/statements with the banks and financial institutions

35 Previous year figures have been regrouped / reclassified wherever consider necessary.

As per our report of even date

For and on behalf of the Board of Directors

*Mr.*



Chirag Gandhi  
Company Secretary  
ICSI Memb. No.: A55452  
Place: Gurugram  
Date: 11 May 2023

*Namita Somani*  
Namita Somani  
Chief Financial Officer  
Place: Udaipur  
Date : 11 May 2023