

# *Natvarlal Vepari & Co.*

CHARTERED ACCOUNTANTS

903-904, 9th Floor, Raheja Chambers, 213, Nariman Point, Mumbai-400 021. Tel: 67527100 Fax: 6752 7101 E-Mail: nvc@nvc.in

## INDEPENDENT AUDITOR'S REPORT

To  
The Members of  
Ashoka Mallasandra Karadi Road Private Limited

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the Financial Statements of Ashoka Mallasandra Karadi Road Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2024, and the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of Statement of Material Accounting Policy Information and other explanatory information (hereinafter referred to as "the Financial Statements").

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

#### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) 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 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 ("ICAI") of India together with the ethical requirements that are relevant to our audit of the 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 ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Financial Statements.

#### Information Other than the Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the Other Information. The other information comprises the information included in the Board's report, including the Directors Report but does not include the Financial Statements and our Independent Auditors' Report thereon. Our opinion on the Financial Statements does not cover the Other Information and we do not and will not express any form of assurance or conclusion thereon.

In connection with our audit of the Financial Statements, our responsibility is to read the Other Information identified above and, in doing so, consider whether the Other Information is materially inconsistent with the Financial Statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this Other Information, we are required to report that fact. The Other Information as aforesaid is expected to be made available to us after the date of this Auditor's Report.

#### Responsibilities of Management and those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act,

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2013 ("the Act") with respect to the preparation of these Financial Statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

1. Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
2. 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.
3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
5. Evaluate the overall presentation, structure, and content of the Financial Statements, including the

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disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the attached Annexure "A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid Financial Statements have been kept so far as it appears from our examination of those books except for the matters stated in paragraph 2(i)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
  - c. The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
  - d. In our opinion, the aforesaid Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e. On the basis of the written representations received from the directors as on March 31, 2024, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024, from being appointed as a director in terms of Section 164 (2) of the Act.
  - f. With reference to maintenance of accounts and other matter therewith, reference is invited to paragraph 2(b) above on reporting under section 143(3)(b) and paragraph 2(i)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 as amended.

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- g. With respect to the adequacy of the internal financial controls with reference to Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to Financial Statements.
- h. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended: The Company has not paid any managerial remuneration during the year and hence we have no reporting under this clause.
- i. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its Financial Statements – Refer Note -29 to the Financial Statements,
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were material foreseeable losses,
  - iii. There has been no amount required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv. (a) The management has represented that, to the best of their knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person or entity, including foreign entities ("intermediaries") with the understanding whether recorded in writing or otherwise, that the intermediary shall, whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security, or the like on behalf of the Ultimate Beneficiaries.  
  
(b) The management has represented that, to the best of its knowledge and belief no funds have been received by the company from any person or entity including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries  
  
(c) Based on such audit procedures considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (iv(a)) and (iv(b)) above contain any material misstatement.
  - v. The Company has neither proposed nor paid any dividend during the year.
  - vi. Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that, audit trail feature is not enabled for direct changes to data when using certain access rights and for direct data changes as described in note 37 of the Financial Statements. Further, during the course of performing our procedures, we did not notice any instance of the audit trail feature being tampered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 01,2023,

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reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules,2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31,2024.

For Natvarlal Vepari & Co.  
Chartered Accountants  
Firm Registration No- 106971W

Pratik Boghani  
Partner  
M. No. 183338  
Mumbai, Dated: May 18,2024  
UDIN: 24183338BKGXVT3505

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## **Annexure A to the Independent Auditors' Report**

### **(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Ashoka Mallasandra Karadi Road Private Limited of even date)**

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

- (i) (a) The Company does not hold any Property, Plant and Equipment or Intangible Assets and therefore clauses 3(i)(a)(A), 3(i)(a)(B), 3(i)(b), 3(i)(c) and 3(i)(d) of the Companies (Auditors Report) Order 2020 are not applicable to the Company.
- (b) No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 as amended and rules made thereunder.
- (ii) (a) The company does not hold any Inventory during the year and hence clause 3(ii)(a) of the Companies (Auditors Report) Order 2020 is not applicable to the Company.
- (b) The Company does not have working capital limits and hence clause 3(ii)(b) of the Companies (Auditors Report) Order 2020 is not applicable to the Company.
- (iii) The Company has not made investments in companies, firms, Limited Liability Partnerships. The Company has also not provided guarantee or security or granted loans or advances in the nature of loans to companies, firms, Limited Liability Partnerships, or any other parties hence clause 3(iii)(a), 3(iii)(b), 3(iii)(c), 3(iii)(d), 3(iii)(e) and 3(iii)(f) of the Companies (Auditors Report) Order 2020 are not applicable to the Company.
- (iv) The company has not granted any loans, made any investments, provided any guarantees and security and thus the provisions of section 185 and 186 with respect to loans, investments, guarantees, and security given are not applicable to the company hence clause 3(iv) of the Companies (Auditors Report) Order 2020 is not applicable to the Company.
- (v) The Company has not accepted deposits from the public or amounts that are deemed to be deposits pursuant to sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and rules framed thereunder. As informed to us, there is no order that has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other tribunal in respect of the said sections.
- (vi) As informed to us, the maintenance of the cost records under the sub-section (1) of section 148 of the Companies Act, 2013 has been prescribed and we are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have not, however, carried out a detailed examination of the records to ascertain whether they are accurate or complete.
- (vii) (a) The Company has been generally regular in depositing undisputed statutory dues including Goods and Services Act, Provident fund, Employees State Insurance, Income Tax, Sales Tax, Service Tax, duty of Customs, duty of Excise, Value Added Tax, Cess, and other statutory dues to the appropriate authorities during the year. According to the information and explanations given to us, no undisputed amount payable in respect of the aforesaid dues were outstanding as of March 31, 2024, for a period of more than six months from the date they became payable.
- (b) There are no statutory dues referred to in sub-clause (b) which have not been deposited on account

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of any dispute.

- (viii) There are no transactions that were not recorded in the books of account, and which has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- (ix) (a) The company has not delayed in repayment of loans or other borrowings or in the payment of interest thereon to any lender
- (b) The company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) The company has received the fresh term loans during the year and has utilized the money obtained for the purposes for which they were obtained.
- (d) On an overall examination of the Financial Statements of the company, we report that no funds raised on short-term basis have been used for long-term purposes by the company.
- (e) On an overall examination of the Financial Statements of the company, we report that the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates, or joint ventures.
- (f) The company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures, or associate companies.
- (x) (a) The company has not raised any money by way of initial public offer / further public offer (including debt instruments) during the year and hence clause 3(x)(a) of the Companies (Auditor's Report) Order, 2020 is not applicable to the Company.
- (b) The Company has not made any preferential allotment / private placement of shares / fully / partly / optionally convertible debentures during the year under review.
- (xi) (a) No fraud by the Company or any fraud on the Company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed by us in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government and hence clause 3(xi)(b) of the Companies (Auditors Report) Order 2020 is not applicable to the company.
- (c) No whistle-blower complaints have been received during the year by the company.
- (xii) The Company is not a Nidhi Company and hence clauses 3(xii)(a), 3(xii) (b) and 3(xii)(c) of the Companies (Auditors Report) Order 2020 is not applicable to the Company.
- (xiii) Provisions of Section 177 are not applicable to the Company. All transactions with the related parties are in compliance with 188 of the Companies Act, 2013 in so far as our examination of the proceedings of the meetings of the Board of Directors are concerned. The details of related party transactions have been disclosed in the Financial Statements as required by the applicable Accounting Standards.
- (xiv) a) 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.
- (xv) The company has not entered into any non-cash transactions with its directors or persons connected

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with its directors.

- (xvi) a) The nature of business and the activities of the Company are such that the Company is not required to obtain registration under section 45-IA of the Reserve Bank of India Act 1934 and hence sub-clause 3(xvi)(a), 3(xvi)(b) and 3(xvi)(c) of the Companies (Auditors Report) Order, 2020 is not applicable to the company
- b) There are no CICs in the group.
- (xvii) On an examination of the Statement of Profit and Loss account, we are of the opinion that the Company has not incurred cash losses during the current financial year and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly clause (3)(xviii) Companies (Auditors Report) Order 2020 is not applicable to the Company.
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the 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.
- (xx) (a) In our opinion in respect of other than ongoing projects, the company do not have unspent amount which needs to be transferred to a Fund specified in Schedule VII to the Companies Act, 2013.
- b) In our opinion in respect of ongoing projects, the company do not have unspent amount which is required to be transferred to a unspent CSR account, within a period of thirty days from the end of the financial year as per section 135(6) of the said Act.

For Natvarlal Vepari & Co.  
Chartered Accountants  
Firm Registration No- 106971W

Pratik Boghani  
Partner  
M. No. 183338  
Mumbai, Dated: May 18,2024  
UDIN: 24183338BKGXVT3505



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## **Annexure - B to the Auditors' Report**

**(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Ashoka Mallasandra Karadi Road Private Limited of even date)**

### **Report on the Internal Financial Controls with reference to Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls with reference to Financial Statements of Ashoka Mallasandra Karadi Road Private Limited ("the Company") as of March 31, 2024 in conjunction with our audit of the Financial Statement 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 with reference to Financial Statements 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 with reference to Financial Statements 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 with reference to Financial Statements 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 with reference to Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Financial Statements included obtaining an understanding of internal financial controls with reference to Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Financial Statements, whether due to fraud or error.

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

#### **Meaning of Internal Financial Controls with reference to Financial Statements**

A company's internal financial control with reference to Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to Financial Statements includes those policies and procedures that (1) pertain

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to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the Financial Statements.

## **Inherent Limitations of Internal Financial Controls with reference to Financial Statements.**

Because of the inherent limitations of Financial controls with reference to Financial Statements, 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 with reference to Financial Statements to future periods are subject to the risk that the internal financial control with reference to Financial Statements 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 with reference to Financial Statements and such internal financial controls with reference to Financial Statements were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Natvarlal Vepari & Co.  
Chartered Accountants  
Firm Registration No- 106971W

Pratik Boghani  
Partner  
M. No. 183338  
Mumbai, Dated: May 18, 2024  
UDIN: 24183338BKGXVT3505

## ASHOKA MALLASANDRA KARADI ROAD PRIVATE LIMITED

CIN : U45309DL2018PTC332068

BALANCE SHEET AS AT MARCH 31,2024

(All figures are in ₹ Lakh unless otherwise stated)



Particulars	Note No.	(₹ In Lakh)	
		As at 31-Mar-24	As at 31-Mar-23
<b>I ASSETS</b>			
<b>1 NON-CURRENT ASSETS</b>			
(a) Financial assets			
(i) Other Financial Assets	2	21,571.46	16,370.03
(b) Other non-current assets	3	0.32	13.96
<b>TOTAL NON-CURRENT ASSETS</b>		<b>21,571.78</b>	<b>16,383.99</b>
<b>2 CURRENT ASSETS</b>			
(a) Financial assets			
(i) Trade Receivables	4	614.31	5,992.85
(ii) Cash and cash equivalents	5	148.33	0.64
(iii) Other Bank Balances	6	1,287.75	2,002.59
(iv) Other Financial Assets	7	10,104.26	11,299.67
(b) Other current assets	8	2,113.15	2,440.26
<b>TOTAL CURRENT ASSETS</b>		<b>14,267.80</b>	<b>21,736.01</b>
<b>TOTAL ASSETS</b>		<b>35,839.58</b>	<b>38,120.00</b>
<b>II EQUITY &amp; LIABILITIES</b>			
<b>1 EQUITY</b>			
(a) Equity Share Capital	9	3,533.00	3,533.00
(b) Other Equity	10	5,664.91	3,788.21
(c) Instruments Entirely Equity In Nature	11	3,140.00	3,140.00
<b>Equity Attributable to Owners</b>		<b>12,337.91</b>	<b>10,461.21</b>
<b>2 NON-CURRENT LIABILITIES</b>			
(a) Financial liabilities			
(i) Borrowings	12	19,889.95	19,867.91
(b) Deferred Tax Liabilities	13	1,253.07	1,565.39
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>21,143.02</b>	<b>21,433.30</b>
<b>3 CURRENT LIABILITIES</b>			
(a) Financial liabilities			
(i) Short Term Borrowings	14	-	1,952.50
(ii) Trade payables			
- Dues of Micro and Small Enterprise	15	-	-
- Dues of Other than Micro and Small Enterprise	15	1,706.91	3,413.96
(iii) Other financial liabilities	16	35.72	23.98
(b) Other current liabilities	17	459.59	835.05
(c) Current Tax Liabilities (net)		156.42	-
<b>TOTAL CURRENT LIABILITIES</b>		<b>2,358.64</b>	<b>6,225.50</b>
<b>TOTAL LIABILITIES</b>		<b>23,501.66</b>	<b>27,658.79</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>35,839.58</b>	<b>38,120.00</b>

As per our report of even date attached

For Natvarlal Vepari &amp; Co

Chartered Accountants

FRN: 106971W

For &amp; on behalf of the Board of Directors

ASHOKA MALLASANDRA KARADI ROAD PRIVATE LIMITED

Pratik Boghani

Partner

M.No: 183338

Pooja Lopes

Company Secretary

Ravindra M Vijayvargiya

Chief Financial Officer

Ashish A. Kataria

Director

DIN : 00580763

Anil S. Gandhi

Managing Director

DIN - 00112675

Date: May 18, 2024

Place: Mumbai

Date: May 18, 2024

Place: Nashik

Particulars	Note No.	For the year ended 31-Mar-24	For the year ended 31-Mar-23
<b>I INCOME</b>			
Revenue from Operations	18	10,394.10	16,161.49
Other Income	19	242.39	31.89
<b>Total Income</b>		<b>10,636.49</b>	<b>16,193.38</b>
<b>II EXPENSES:</b>			
Operating Expenses	20	5,855.18	11,637.67
Finance Expenses	21	2,226.07	1,950.46
Other Expenses	22	58.24	64.71
<b>Total Expenses</b>		<b>8,139.49</b>	<b>13,652.84</b>
<b>III Profit before Tax (I-II)</b>		<b>2,497.00</b>	<b>2,540.54</b>
<b>IV Tax Expense:</b>	23	<b>620.30</b>	<b>1,568.89</b>
Current Tax		933.68	1.46
Short/(Excess) Provision for Earlier Years		(1.07)	2.05
Deferred Tax		(312.31)	1,565.39
<b>V Profit for the year (III- IV)</b>		<b>1,876.70</b>	<b>971.65</b>
<b>VI Other Comprehensive Income (OCI) :</b>			
(a) Items not to be reclassified subsequently to profit or loss		-	-
(b) Items to be reclassified subsequently to profit or loss		-	-
<b>VII Total comprehensive income for the year (V+VI)</b>		<b>1,876.70</b>	<b>971.65</b>
<b>VIII Earnings per Equity Shares of Nominal Value ₹ 10 each:</b>	24		
Basic Rs per share		5.31	2.75
Diluted Rs per share		5.31	2.75

As per our report of even date attached

For Natvarlal Vepari &amp; Co

Chartered Accountants

FRN: 106971W

For &amp; on behalf of the Board of Directors

ASHOKA MALLASANDRA KARADI ROAD PRIVATE LIMITED

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Director

DIN : 00580763

Anil S. Gandhi

Managing Director

DIN - 00112675

Date: May 18, 2024

Place: Mumbai

Date: May 18, 2024

Place: Nashik

Particulars	For year ended 31-Mar-2024	For year ended 31-Mar-2023
<b><u>A CASH FLOW FROM OPERATING ACTIVITIES :</u></b>		
Net Profit for the year	2,497.00	2,540.54
<b>Adjustment to reconcile profit before tax to net cash flows</b>		
Finance Income	(4,308.10)	(4,168.54)
Interest, Commitment & Finance Charges	2,226.07	1,950.46
Sundry Balances Written Back	(39.91)	(0.07)
Interest Income from Fixed Deposits	(201.49)	(26.04)
Interest on Income tax refund	(0.99)	-
<b>Operating Profit Before Changes in Working Capital</b>	<b>172.59</b>	<b>296.35</b>
<b>Adjustments for changes in Operating Assets &amp; Liabilities:</b>		
Decrease/(Increase) in Trade Receivables and Financial Asset	8,441.07	(3,358.58)
Decrease/(Increase) in Other Assets	327.11	1,177.04
Increase / (Decrease) in Trade and Operating Payables	(1,692.21)	(221.84)
<b>Cash Generated from Operations</b>	<b>7,075.96</b>	<b>(2,403.38)</b>
Income Tax Paid	(761.56)	99.18
<b>NET CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>6,487.00</b>	<b>(2,007.86)</b>
<b><u>B CASH FLOW FROM INVESTING ACTIVITIES :</u></b>		
Investment in Fixed Deposits	(2,720.00)	-
Movement in Other Bank Balances	714.84	(1,577.69)
Interest Income received	161.04	8.02
<b>NET CASH CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>(1,844.11)</b>	<b>(1,569.67)</b>
<b><u>C CASH FLOW FROM FINANCING ACTIVITIES</u></b>		
Capital Contribution by Holding Company	-	1,778.00
Proceeds from Borrowings	20,013.75	5,710.00
Repayment of Borrowings	(21,966.25)	(1,883.75)
Interest, commitment & Finance Charges Paid	(2,542.70)	(2,028.49)
<b>NET CASH FLOW FROM FINANCING ACTIVITIES</b>	<b>(4,495.20)</b>	<b>3,575.76</b>
<b>Net Increase In Cash &amp; Cash Equivalents</b>	<b>147.69</b>	<b>(1.76)</b>
<b>Cash and Cash Equivalents at the beginning of the year</b>	<b>0.64</b>	<b>2.40</b>
<b>Cash and Cash Equivalents at the end of the year</b>	<b>148.32</b>	<b>0.64</b>
<b>Net Increase In Cash &amp; Cash Equivalents</b>	<b>147.68</b>	<b>(1.76)</b>
<b>COMPONENTS OF CASH AND CASH EQUIVALENTS</b>		
Balances with Banks		
On current accounts	3.28	0.58
Cash on hand	0.05	0.06
Deposits with original maturity less than 3 months	145.00	-
	<b>148.32</b>	<b>0.64</b>
<b>Cash and cash equivalents for statement of cash flows</b>	<b>148.32</b>	<b>0.64</b>

Refer note no.12(VII) for reconciliation of liabilities from financing activities

As per our report of even date attached  
**For Natvarial Vepari & Co**  
Chartered Accountants  
FRN: 106971W

For & on behalf of the Board of Directors  
**ASHOKA MALLASANDRA KARADI ROAD PRIVATE LIMITED**

**Pratik Boghani**  
Partner  
M.No: 183338

Pooja Lopes    Ravindra M Vijayvargiya  
**Company Secretary    Chief Financial Officer**

Ashish A. Kataria    Anil S. Gandhi  
**Director    Managing Director**  
DIN : 00580763    DIN - 00112675

Date: May 18, 2024  
Place: Mumbai

Date: May 18, 2024  
Place: Nashik

## Statement of Changes in Equity

## A Equity Share Capital

Particulars	As at March 31, 2024			As at March 31, 2023		
	Number of shares	Face value ₹ per share	(₹ In Lakh)	Number of shares	Face value ₹ per share	(₹ In Lakh)
	Balance as at March 31, 2022	3,53,30,000	10.00	3,533.00	3,53,30,000	10.00
Changes during the year	-	-	-	-	-	-
Balance as at March 31, 2023	3,53,30,000	10.00	3,533.00	3,53,30,000	10.00	3,533.00
Changes during the current year	-	-	-	-	-	-
Balance as at March 31, 2024	<b>3,53,30,000</b>	<b>10.00</b>	<b>3,533.00</b>	<b>3,53,30,000</b>	<b>10.00</b>	<b>3,533.00</b>

## B Other Equity

Particulars	(₹ In Lakh)	
	As at Mar 31, 2024	As at Mar 31, 2023
<b>Surplus / Retained Earnings</b>		
Opening Balance	3,788.21	2,816.56
Profit for the year	1,876.70	971.65
<b>Gross Total :::::</b>	<b>5,664.91</b>	<b>3,788.21</b>

As per our report of even date attached

For Natvarlal Vepari &amp; Co

Chartered Accountants

FRN: 106971W

For &amp; on behalf of the Board of Directors

ASHOKA MALLASANDRA KARADI ROAD PRIVATE LIMITED

Pratik Boghani

Partner

M.No: 183338

Date: May 18, 2024

Place: Mumbai

Pooja Lopes

Company Secretary

Ravindra M Vijayvargiya

Chief Financial Officer

Ashish A. Kataria

Director

DIN : 00580763

Anil S. Gandhi

Managing Director

DIN - 00112675

Date: May 18, 2024

Place: Nashik

**Note:1 Statement of Material Accounting Policy Information and Other Explanatory Notes****A Corporate profile**

Ashoka Mallasandra Karadi Road Private Limited, the Company, is a Special Purpose Vehicle (SPV) incorporated on April 6, 2018 under the provisions of the Companies Act 2013, in pursuance of the contract with National Highway Authority Limited (NHAI). The Company is in the business of Construction and maintenance of Four laning of Tumkur – Shivamogga section from Km 12+310 (Design km 12+300) to Km 66+540 (Design Km 65+195) from Mallasandra to Karadi Village of NH-206 on Hybrid Annuity Mode under NHDP Phase-IV in the state of Karnataka, which will be partly financed by the concessionaire who shall recover its investment and costs through payments to be made by the Authority, in accordance with the terms and conditions to be set forth in a concession agreement to be entered into. The said DBOT projects which the Company undertakes are capital intensive and have construction period of 730 days; coupled with longer maintenance periods of 15 years. The construction of the entire project has been sub-contracted to the parent company Ashoka Buildcon Limited as an EPC contractor.

These financial statements can be amended by the board of directors till they are placed before the share holders and also by the share holders before their approval for adoption.

The financial statements were authorised for issue in accordance with a resolution passed at the meeting of the board of directors on May 18, 2024.

**B Statement of Compliances**

The Financial Statements comply in all material aspects with Indian Accounting Standards ("Ind AS") prescribed under Section 133 of the Companies Act, 2013 ("the Act"), the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

**C Basis of Preparation, Accounting judgements, estimates and assumptions and Material Accounting Policy Information:****Basis of preparation**

These financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

The financial statements are presented in INR and all values are rounded to the nearest lacs, except otherwise stated.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The classification of assets and liabilities of the Company is done into current and non-current based on the operating cycle of the business of the Company. The operating cycle of the business of the Company is less than twelve months and therefore all current and non-current classifications are done based on the status of realisability and expected settlement of the respective asset and liability within a period of twelve months from the reporting date as required by Schedule III to the Companies Act, 2013.

**Significant accounting judgements, estimates and assumptions**

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

**Estimates**

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgements and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of circumstances surrounding the estimates. Changes in estimates are reflected in the financial statement in the period in which changes are made and if material, their effects are disclosed in the notes to the financial statements. During the year there were no Significant Judgements other than those stated hereinafter that were required to be exercised in the process of applying the entity's accounting policy and that have an impact on the amounts recognised in the Financial Statements.

**Judgements**

In the process of applying the company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the separate financial statements.

**Financial Asset as per Service Concession Agreement- Contract Asset**

The Financial model which allocated / bifurcates Annuity into Operation and Maintenance , Periodic maintenance and finance income is based on the estimates and the judgment of the management at the fair value of the services rendered considering the expected margin and the IRR from the financial asset. Further the Construction timelines are considering various factors such as availability of land from the concessionaire, approvals of Extension of time, the resources allocated by the Company. The timelines are based on the judgement of the Company as to how long the construction work would take place in conjunction with the agreed timelines by the Concessionaire.

**D Recent pronouncements**

There has been no recent accounting pronouncements made by Ministry of Corporate Affairs relating to the Companies (Indian Accounting Standards) Rules, 2015.

**E Material Accounting Policy Information****Summary of Material Accounting Policy Information**

The operating cycle of the business of the Company is twelve months from the reporting date as required by Schedule III to the Companies Act, 2013.

**a) Current and 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 realised or intended to be sold or consumed in normal operating cycle or
- It is held primarily for the purpose of trading or
- It is expected to be realised within twelve months after the reporting period, or
- It is 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 or
- It is held primarily for the purpose of trading or
- 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 atleast twelve months after the reporting period

The Company classifies all other liabilities as non-current.

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

**b) Revenue Recognition****Accounting for rights under service concession arrangements and revenue recognition****(i) Recognition and measurement**

The Company builds, operates and maintains infrastructure assets under public-to-private Service Concession Arrangements (SCAs), which is an arrangement between the "grantor" (a public sector entity/authority) and the "operator" (a private sector entity) to provide services that give the public access to major economic and social facilities utilizing private-sector funds and expertise. The infrastructures accounted for by the Company as concessions are mainly related to the activities concerning roads.

Concession contracts are public-private agreements for periods specified in the SCAs including the construction, upgradation, restoration of infrastructure and future services associated with the operation and maintenance of assets in the concession period. Revenue recognition, as well as, the main characteristics of these contracts are detailed in Note to Accounts. With respect to service concession arrangements, revenue and costs are allocated between those relating to construction services and those relating to operation & maintenance services and are accounted for separately. Consideration received or receivable is allocated by reference to the relative fair value of services delivered when the amounts are separately identifiable. The infrastructure used in a concession are classified as an intangible asset or a financial asset, depending on the nature of the payment entitlements established in the concession agreement.

When the amount of the arrangement consideration for the provision of public services is substantially fixed by a contract, the Company recognizes revenues from construction services for public facilities (infrastructures) by the percentage-of-completion method and recognizes the consideration as a financial asset and the same is classified as "Receivables against Service Concession Arrangements". The Company accounts for such financial assets at amortized cost, calculates interest income based on the effective interest method and recognizes it in revenue as Finance Income



**(ii) Contractual obligation to restore the infrastructure to a specified level of serviceability**

The Company has contractual obligations to maintain the infrastructure to a specified level of serviceability or restore the infrastructure to a specified condition during the concession period and/or at the time of hand over to the grantor of the SCA. Such obligations are measured at the best estimate of the expenditure that would be required to settle the obligation at the balance sheet date. In case of concession arrangements under financial asset model, such costs and related revenues are recognized in the period in which such performance are actually completed.

**(iii) Borrowing cost related to SCAs**

In case of concession arrangement under financial asset model, borrowing costs attributable to construction of the infrastructure are charged to Statement of Profit and Loss in the period in which such costs are incurred.

**(iv) Revenue From Operation**

Revenue is measured based on the transaction price of the consideration that is specified in a contract with a customer or is expected to be received in exchange for the products or services and excludes amounts collected on behalf of third parties. Revenue is recognised upon transfer of control of promised products or services to customers.

To recognise revenues, the Company applies the following five step approach

- (1) identify the contract with a customer,
- (2) Identify the performance obligations in the contract,
- (3) determine the transaction price,
- (4) allocate the transaction price to the performance obligations in the contract.
- (5) recognize revenues when a performance obligation is satisfied

The revenue is recognised when (or as) the performance obligation is satisfied, which typically occurs when (or as) control over the products or services is transferred to a customer.

Contract modification are accounted for when addition, deletions or changes are approved either to the contract scope or contract price. The accounting for modification of contract involves assessment whether the services added to the existing Contract or distinct and whether the pricing is at the standalone selling price. Services added that are not distinct are accounted for on a cumulative catchup basis , while those that are distinct are accounted prospectively, either as a separate contract , if the sperate service are priced at standalone selling price , or a termination of the exiting contract and creation of a new contract if not priced at standalone selling price.

**(v) Finance income and other income:**

Finance Income from Financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of Income can be measured reliably. The same is computed by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition. Interest Income from Financial Income is included under Revenue from operations.

**c) Financial Asset - Service concession arrangements**

When the arrangement has a contractual cashflow or other financial assets from the grantor specifically towards the concession arrangement (in the form of grants) during the construction period or otherwise , such a right to the extent eligible is recorded as Financial Asset in accordance with IND as 109 "Financial Instrument" at amortised cost.

**d) Borrowing costs**

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

**e) Taxes****Current Income Tax**

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the country. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

**f) Deferred Tax**

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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

For items recognised in OCI or equity, deferred / current tax is also recognised in OCI or equity.

**g) Earnings per share**

Earnings per share is calculated by dividing the net profit or loss before OCI for the year by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss before OCI for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

**h) Provisions, Contingent Liabilities and Contingent Assets****i Provisions**

The Company recognizes a provision when: it has a present legal or constructive obligation as a result of past events; it is likely that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognized for future operating losses.

**ii Contingent liabilities and Contingent Assets**

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

A contingent assets is not recognised unless it becomes virtually certain that an inflow of economic benefits will arise. When an inflow of economic benefits is probable, contingent assets are disclosed in the financial statements. Contingent liabilities and contingent assets are reviewed at each balance sheet date.

**i) Cash and cash equivalents**

Cash and cash equivalents include cash in hand, demand deposits in banks and other short-term highly liquid investments with original maturities of three months or less. Bank overdrafts are shown within bank borrowings in current liabilities on the balance sheet.

**j) Fair Value Measurement**

The Company measures financial instruments, such as, derivatives at fair value 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.

**k) Financial instruments****1 Financial Assets****(i) Initial recognition and measurement**

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Financial assets are classified, at initial recognition, as financial assets measured at fair value or as financial assets measured at amortized cost.

**(ii) Subsequent measurement**

For purposes of subsequent measurement financial assets are classified in two broad categories:

- Financial assets at fair value
- Financial assets at amortized cost

Where assets are measured at fair value, gains and losses are either recognized entirely in the statement of profit and loss (i.e. fair value through profit or loss), or recognized in other comprehensive income (i.e. fair value through other comprehensive income). A financial asset that meets the following two conditions is measured at amortized cost (net of any write down for impairment) unless the asset is designated at fair value through profit or loss under the fair value option.

- Business model test: The objective of the Company's business model is to hold the financial asset to collect the contractual cash flows (rather than to sell the instrument prior to its contractual maturity to realize its fair value changes).
- Cash flow characteristics test: 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.

A financial asset that meets the following two conditions is measured at Fair Value through Other Comprehensive Income unless the asset is designated at fair value through profit or loss under the fair value option.

- Business model test: The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.
- Cash flow characteristics test: 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.

Even if an instrument meets the two requirements to be measured at amortized cost or fair value through other comprehensive income, a financial asset is measured at fair value through profit or loss if doing so eliminates or significantly reduces a measurement or recognition inconsistency (sometimes referred to as an 'accounting mismatch') that would otherwise arise from measuring assets or liabilities or recognizing the gains and losses on them on different bases.

All other financial asset is measured at fair value through profit or loss.

All equity investments other than investment on subsidiary, joint venture and associates are measured at fair value in the balance sheet, with value changes recognized in the statement of profit and loss.

**(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 derecognized (i.e. removed from the Company's balance sheet) when:

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

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognizes 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.

**2 Financial liabilities****(i) Initial recognition and measurement**

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

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, and derivative financial instruments.

**(ii) Subsequent measurement**

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

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

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. 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 recognized in the statement of profit and loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied.

**l) Loans and borrowings**

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the effective interest rate (EIR) method.

Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized 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 amortization is included as finance costs in the statement of profit and loss.

**m) Derecognition**

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

**n) Offsetting of financial instruments**

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

**o) Cash flow statement**

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

2 Other Financial Asset -Non Current		(₹ In Lakh)	
Particulars	As at 31-Mar-24	As at 31-Mar-23	
<i>(Unsecured, considered good at amortised cost)</i>			
Financial Asset as per Service Concession Agreement- Contract Asset	18,821.64	16,340.21	
Security Deposit	29.82	29.82	
Fixed Deposits with Bank	2,720.00	-	
<b>Total :::::</b>	<b>21,571.46</b>	<b>16,370.03</b>	

3 Other Non Current Asset		(₹ In Lakh)	
Particulars	As at 31-Mar-24	As at 31-Mar-23	
<i>Unsecured considered good</i>			
Advance Tax net of provision	0.32	13.96	
<b>Total :::::</b>	<b>0.32</b>	<b>13.96</b>	

4 Trade Receivable - Current		(₹ In Lakh)	
Particulars	As at 31-Mar-24	As at 31-Mar-23	
<i>(Unsecured, considered good at amortised cost)</i>			
Receivable from NHAI	614.31	5,992.85	
<b>Total :::::</b>	<b>614.31</b>	<b>5,992.85</b>	

**Expected credit Loss:**

Trade receivables are derived from revenue earned from customers primarily located in India. Periodically, the Company evaluates all customer dues to the Company for collectability. The need for impairment is assessed based on various factors including collectability of specific dues, risk perceptions of the industry in which the customers operates, general economic factors, which could affect the customer's ability to settle. More so the only Customer in case of the Company is NHAI which is a GOI undertaking and the credit risk is minimal with no past history of default. An impairment analysis is performed at each reporting date on invoice wise receivable balances.

(a) As at March 31, 2024		(₹ In Lakh)		
Range of O/s period	Undisputed			Total
	Considered Good	Significant increase in credit risk	credit impaired	
Unbilled	-	-	-	-
Not Due	-	-	-	-
less than 6 months	261.83	-	-	261.83
6 months - 1 year	14.20	-	-	14.20
1-2 year	302.49	-	-	302.49
2-3 year	35.79	-	-	35.79
> 3 years	-	-	-	-
<b>Total</b>	<b>614.31</b>	-	-	<b>614.31</b>

(b) As at March 31, 2023		(₹ In Lakh)		
Range of O/s period	Undisputed			Total
	Considered Good	Significant increase in credit risk	credit impaired	
Unbilled	-	-	-	-
Not Due	-	-	-	-
less than 6 months	5,849.63	-	-	5,849.63
6 months - 1 year	100.87	-	-	100.87
1-2 year	42.35	-	-	42.35
2-3 year	-	-	-	-
> 3 years	-	-	-	-
<b>Total</b>	<b>5,992.85</b>	-	-	<b>5,992.85</b>

5 Cash and cash equivalents (₹ In Lakh)		
Particulars	As at 31-Mar-24	As at 31-Mar-23
Balance with Schedule Bank	3.28	0.58
Cash on hand	0.05	0.06
Bank Deposits (with maturity of less than than 3 months)	145.00	-
<b>Total ::::</b>	<b>148.33</b>	<b>0.64</b>

6 Other Bank Balances (₹ In Lakh)		
Particulars	As at 31-Mar-24	As at 31-Mar-23
Balances in Escrow Account	7.75	5.59
Bank Deposits (with maturity of more than 3 months and less than 12 months)	1,280.00	1,997.00
<b>Total ::::</b>	<b>1,287.75</b>	<b>2,002.59</b>

7 Other Financial Asset -Current (₹ In Lakh)		
Particulars	As at 31-Mar-24	As at 31-Mar-23
<i>(Unsecured, considered good at amortised cost)</i>		
Financial Asset as per Service Concession Agreement- Contract Asset	9,879.80	11,196.43
<i>(Refer Note 18(I))</i>		
Interest Receivable on Bank Deposits	58.47	18.02
Interest Receivable on W Cap Advance	85.22	85.22
Interest Receivable on Mob Advance	80.77	-
<b>Total ::::</b>	<b>10,104.26</b>	<b>11,299.67</b>

8 Other Current Asset (₹ In Lakh)		
Particulars	As at 31-Mar-24	As at 31-Mar-23
Prepaid Expenses	34.37	25.94
Prepaid Corporate Social Responsibility Expenses	20.28	-
Balance with Tax Authority	1,180.34	1,916.24
COS Advance - Ashoka Buildcon Limited	445.82	445.82
Others - Advance recoverable in Cash or kind	384.57	4.49
Other Advances - NHAI Mob Advance GST	47.77	47.77
<b>Total ::::</b>	<b>2,113.15</b>	<b>2,440.26</b>

**Details of Related Parties:**

Particulars	As at 31-Mar-24	As at 31-Mar-23
Advances to Ashoka Buildcon Limited	445.82	445.82
<b>Total ::::</b>	<b>445.82</b>	<b>445.82</b>

**9 Equity Share Capital****(I) Authorised Capital:**

Class of Shares	Par Value	As at 31-Mar-24		As at 31-Mar-23	
	(₹)	No. of Shares	(₹ In Lakh)	No. of Shares	(₹ In Lakh)
Equity Shares	10.00	3,68,00,000	3,680.00	3,68,00,000	3,680.00
<b>Total ::::</b>			<b>3,680.00</b>		<b>3,680.00</b>

**(II) Issued, Subscribed and Paid-up Capital (Fully Paid-up):**

Class of Shares	Par Value	As at 31-Mar-24		As at 31-Mar-23	
	(₹)	No. of Shares	(₹ In Lakh)	No. of Shares	(₹ In Lakh)
Equity Shares	10.00	3,53,30,000	3,533.00	3,53,30,000	3,533.00
<b>Total ::::</b>			<b>3,533.00</b>		<b>3,533.00</b>

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(All figures are in ₹ lakh unless otherwise stated)

(III) Terms/rights attached to equity shares:

The company is a subsidiary of Ashoka Concessions Ltd which is a subsidiary of Ashoka Buildcon Limited a company listed on the stock exchanges at BSE and NSE.

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

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

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

(IV) Reconciliation of Number of Shares Outstanding:

Class of Shares	As at 31-Mar-24	As at 31-Mar-23
	Numbers	Numbers
Equity Shares:		
Outstanding as at beginning of the period	3,53,30,000	3,53,30,000
Addition during the period	-	-
Outstanding as at end of the period	3,53,30,000	3,53,30,000

(V) Details of shares in the Company held by each shareholder holding more than 5% shares:

Class of Shares	As at 31-Mar-24		As at 31-Mar-23	
	Equity Shares	%	Equity Shares	%
Ashoka Concessions Ltd.	3,53,30,000	100	3,53,30,000	100

(VI) Details of shares in the Company held by Holding Company:

Class of Shares	As at 31-Mar-24		As at 31-Mar-23	
	Equity Shares	%	Equity Shares	%
Ashoka Concessions Ltd.	3,53,30,000	100	3,53,30,000	100

(VII) Details of shares in the Company held by Promoters

Name of the Promoter	Par Value (₹)	As at 31-Mar-24		As at 31-Mar-23		% of Change during the year
		No. of Shares	Amount (₹ In Lakh)	No. of Shares	Amount (₹ In Lakh)	
Ashoka Concessions Ltd.	10.00	3,53,30,000	3,533.00	3,53,30,000	3,533.00	-

Name of the Promoter	Par Value (₹)	As at 31-Mar-23		As at 31-Mar-22		% of Change during the year
		No. of Shares	Amount (₹ In Lakh)	No. of Shares	Amount (₹ In Lakh)	
Ashoka Concessions Ltd.	10.00	3,53,30,000	3,533.00	3,53,30,000	3,533.00	-

10 Other Equity

(₹ In Lakh)

Particulars	As at 31-Mar-24	As at 31-Mar-23
Surplus / Retained Earnings:		
Balance as per Last balance sheet	3,788.21	2,816.56
Profit for the year	1,876.70	971.65
Total :::::	5,664.91	3,788.21

11 Instruments Entirely Equity in Nature

Perpetual Debt (Interest Free)

(₹ In Lakh)

Particulars	As at 31-Mar-24	As at 31-Mar-23
Balance as per Last balance Sheet	3,140.00	1,362.00
Addition During the Year	-	1,778.00
Total :::::	3,140.00	3,140.00

The above is interest free and is payable only at the option of the Company . The Promoter has residual interest in the asset after payment of all liabilities of the Company

**Details of Perpetual Debt from Related Parties:**

Particulars	As at 31-Mar-24	As at 31-Mar-23
Ashoka Concession Limited	3,140.00	3,140.00
<b>Total ::::</b>	<b>3,140.00</b>	<b>3,140.00</b>

**12 Financial Liabilities - Borrowings (at Fair Value)**

(₹ In Lakh)

Particulars	As at 31-Mar-24	As at 31-Mar-23
<b>(Secured considered goods)</b>		
Term Loans from Financial Institutions	-	10,910.21
Term Loans from Banks	19,889.95	10,910.21
Less: Current Maturities	-	1,952.50
<b>Total :::::</b>	<b>19,889.95</b>	<b>19,867.91</b>

**The break-up of above:**

Secured	19,889.95	21,820.41
Unsecured	-	-
	<b>19,889.95</b>	<b>21,820.41</b>

**I. Terms and Conditions**

The Company has refinanced the existing term loan with Axis Bank Limited (Incoming Lender) by entering into Common Loan Agreement upon fresh terms and conditions stipulated with Axis Bank Limited on 28th December 2023 by repaying earlier project lenders (Outgoing Lender) - Axis Bank Limited and Aditya Birla Finance Limited as per the Common Loan Agreement dated September 04,2018.

**II. Particulars of the loan are as under:**

- Axis Bank Limited has provided sanction limit of INR 22,064.00 Lakhs against which the Company has drawn down amount of Rs. 20,013.75 Lakhs which was utilized for prepayment of Existing Loan. Balance amount to be draw down is Rs. 2,050.25 Lakhs.
- Tenure of Rupee Term Loan 11 years and 11 months from date of refinancing.
- The applicable Interest Rate is on variable / floating basis and is linked to RBI REPO with Spread.

**III. Security**

- First charge Security Interest (as permitted by Concession Agreement) over on all Borrower's movable and immovable assets both present and future, except project assets
- First Charge by way of hypothecation of all the fixed assets (if any) on movable assets of the Company (other than Project assets; except those acquired out of free flow of the company in operation phase)
- First charge on the Project's book debts, operating cash flows, receivables, commissions, revenues of whatsoever nature and wherever arising, present and future intangibles, goodwill, uncalled capital (present and future);
- First charge on (i) all rights, titles, interests, benefits, claims, whatsoever of the Borrower under the Concession Agreement and all other Project Documents (ii) on any letter of credit, guarantee, performance bond provided by any counterparty to the project contracts;
- First charge on Assignment of all the Company's rights and interests under all the agreements related to the Project, letter of credit (if any), and Assignment by the way of Security in right, title and interest of the Borrower in, to and under all the Government Approvals.
- First charge on Applicable Insurance Policies for the project
- First charge on Project's bank accounts, including but not limited to the escrow account (subject to Authority NHA1 Covenants) opened in a designated bank, where all cash inflows from the Project shall be deposited and all proceeds shall be utilized in a manner and priority to be decided by the Lenders.
- First charge on Borrower's Escrow Account in relation to the Projects and other accounts of the Borrower, including without limitation the Borrower's Interests in the accounts opened as per the Escrow Agreement along with the monies lying therein;
- Pledge of 30% equity shares and preference shares of the Issuer till the loan is fully repaid and Non Disposable Undertaking, "NDU" for 21% equity shares of the Issuer till the loan is fully repaid.

- As per Common Loan Agreement, the Company is required to maintain "Debt Service Reserve" or "DSR" shall mean for an amount equivalent to the aggregate of the Borrower's next principal installment due and payable and Interest due and payable in respect of the Facility for a period of the ensuing 6 (six) months till Final Settlement Date.



## V. Repayment Schedule

Particulars of Lender	Nature of Loan	Repayment Amount in the range of ( Min-max) (In ₹ Lakh)	Mode of Repayment	Interest Type	Rate of Interest	Maturity Date
Axis Bank Limited	Project Term Loan	699.20 - 1359.79	Half Yearly - Principle and Interest on Monthly Rest	Variable Interest	RBI REPO + Spread	31-Dec-35

## VI. Maturity Profile

Particulars	As at	As at
	31-Mar-24	31-Mar-23
Repayment within one year(*)	-	1,952.50
Repayment beyond one year to five years	7,510.50	5,225.00
Repayment beyond five years	12,503.25	14,788.75
<b>Total</b>	<b>20,013.75</b>	<b>21,966.25</b>

(\*) Repayment starts from June 2025 as per common loan agreement with the new refinanced lenders.

Maturity profile given is not adjusted for INDAS adjustment done with respect to Borrowings in the financials.

## (i) Default and Delay Disclosure

## For the year ended March 31, 2024

There are no interest/principal delays/defaults for the year

## For the year ended March 31, 2023

## Interest Delay Disclosure

Particulars	Amount of (Rs. In Lacs )	Nature of Payment)	Due Date of Payment	Paid Date if applicable	Delay in days
Aditya Birla Finance Limited	68.96	Interest	30-Apr-22	02-May-22	2
Aditya Birla Finance Limited	72.24	Interest	31-May-22	01-Jun-22	1
Axis Bank Limited	4.27	Interest	31-Mar-23	10-Apr-23	10

## VII. Disclosure "As per the amendment to INDAS 7 Statement of Cash Flow " an entity shall provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes.

Particulars	Non Current	Current	Interest accrued	Total
	Borrowings	Maturities		
Opening Balance	17,031.73	941.88	419.91	18,393.52
Changes in Financial Cash flow	3,826.25	-	(2,028.49)	1,797.76
Internal Transfer on change in Repayment schedule	941.88	(941.88)	-	-
Internal Transfer	(1,952.50)	1,952.50	-	-
Interest accrued during the year	-	-	1,950.46	1,950.46
Other Non- Cash Adjustments	20.55	-	-	20.55
<b>Closing Balance as at March 31,2023</b>	<b>19,867.91</b>	<b>1,952.50</b>	<b>341.87</b>	<b>22,162.29</b>
Changes in Financial Cash flow	-	(1,952.50)	(2,542.70)	(4,495.20)
Prepayment of Loan on refinancing	(20,013.75)	-	-	(20,013.75)
Proceeds from Loan on refinancing	20,013.75	-	-	20,013.75
Interest accrued during the year	-	-	2,204.04	2,204.04
Other Non- Cash Adjustments	22.04	-	-	22.04
<b>Closing Balance as at March 31,2024</b>	<b>19,889.95</b>	<b>-</b>	<b>3.21</b>	<b>19,893.17</b>

## VIII. Utilisation of Borrowings taken from Bank

The company has refinanced its existing facility during the year and have used the funds for payments to existing lenders (for the purpose for which the loan was sanctioned)

## IX. Registration of Charges or Satisfaction with Registrar of Companies

## Register of Charges

As at March 31,2024, the Company has registered all charges duly with the Registrar of Companies in favor of the lenders.

**Satisfaction of Charges**

As at March 31,2024, the Company has registered all satisfaction of charges duly with the Registrar of Companies.

**13 Deferred Tax Liabilities - Non Current**

(₹ In Lakh)

Particulars	As at 31-Mar-24	As at 31-Mar-23
<i>(Deferred Tax Liabilities on account of Taxable Temporary differences)</i>		
ICDS Adjustments	1,253.07	1,565.39
<b>Total ::::</b>	<b>1,253.07</b>	<b>1,565.39</b>

**14 Short Term Borrowings**

(₹ In Lakh)

Particulars	As at 31-Mar-24	As at 31-Mar-23
Current Maturities of Long Term Debt (Refer Note No-12)	-	1,952.50
<b>Total ::::</b>	<b>-</b>	<b>1,952.50</b>

**15 Trade Payables - Current**

(₹ In Lakh)

Particulars	As at 31-Mar-24	As at 31-Mar-23
Dues of Micro and Small Enterprise	-	-
Dues of Other than Micro and Small Enterprise		
- Related Parties	1,686.44	3,406.74
- Others	20.47	7.22
<b>Total ::::</b>	<b>1,706.91</b>	<b>3,413.96</b>

**Details of Related Parties:**

(₹ In Lakh)

Particulars	As at 31-Mar-24	As at 31-Mar-23
Ashoka Buildcon Limited	1,590.22	2,498.31
Ashoka Concessions Limited	96.22	908.43
<b>Total ::::</b>	<b>1,686.44</b>	<b>3,406.74</b>

- (i) As per the intimation available with the Company, there are no Micro, Small and Medium Enterprises, as defined in the Micro, Small, and Medium Enterprises Development Act, 2006, to whom the Company owes dues on account of principal amount together with interest and accordingly no additional disclosures have been made.
- (ii) The above information regarding Micro, Small and Medium Enterprises have been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the Auditors.

**(a) As at March 31, 2024****Ageing as per Bill date**

(₹ In Lakh)

Range of O/s period	Trade Payable Others (March 31,2024)		Trade Payable Others (March 31,2023)	
	Undisputed	Disputed	Undisputed	Disputed
Unbilled	55.57	-	1,187.57	-
Not Due	-	-	-	-
Less than 1 year	1,609.57	-	2,184.62	-
1-2 years	-	-	41.70	-
2-3 year	41.70	-	-	-
> 3 years	0.07	-	0.07	-
<b>Total</b>	<b>1,706.91</b>	<b>-</b>	<b>3,413.96</b>	<b>-</b>

There are no dues to Micro and Small Enterprises as at March 31,2024 and March 31,2023.

**16 Other Financial Liabilities - Current**

(₹ In Lakh)

Particulars	As at 31-Mar-24	As at 31-Mar-23
Payable to NHAI - IE Fees	32.50	16.50
Interest Accrued to Bank	-	4.27
Interest Accrued to ABL- Related Party	3.22	3.22
<b>Total ::::</b>	<b>35.72</b>	<b>23.98</b>

17 Other current liabilities		(₹ In Lakh)	
Particulars	As at 31-Mar-24	As at 31-Mar-23	
COS Advance received from NHAI	445.82	445.82	
Interest Payable on Mob Advance	-	334.39	
Duties & Taxes	13.77	54.85	
<b>Total :::</b>	<b>459.59</b>	<b>835.05</b>	

18 Revenue From Operations		(₹ In Lakh)	
Particulars	2023-2024	2022-2023	
<b>Contract Revenue:</b>			
Contract Revenue	5,979.74	10,640.52	
Revenue from Utility Shifting	106.26	1,352.43	
<b>Other Operating Income:</b>			
Finance Income on financial assets carried at amortised cost	4,308.10	4,168.54	
<b>Total :::::</b>	<b>10,394.10</b>	<b>16,161.49</b>	

I Disclosures as required by Appendix D of Ind AS 115 relating to "Service Concession Arrangements: Disclosures"

(a) Description of the Arrangement along with salient features of the project:

Ashoka Mallasandra Karadi Road Private Limited, the Company, is a Special Purpose Vehicle (SPV) incorporated on April 6, 2018 under the provisions of the Companies Act 2013, in pursuance of the contract with National Highway Authority Limited (NHAI). The Company is in the business of Construction and maintenance of Four laning of Tumkur – Shivamogga section from Km 12+310 (Design km 12+300) to Km 66+540 (Design Km 65+195) from Mallasandra to Karadi Village of NH-206 on Hybrid Annuity Mode under NHDP Phase-IV in the state of Karnataka, which will be partly financed by the concessionaire who shall recover its investment and costs through payments to be made by the Authority, in accordance with the terms and conditions to be set forth in a concession agreement to be entered into. The said DBOT projects which the Company undertakes are capital intensive and have construction period of 910 days; coupled with longer maintenance periods of 15 years.

Salient features of the Project :

1. Bid Project Cost as per Concession Agreement(CA) is ₹ 85,317 Lakh which will be increased by Price Index .
2. 40% of the Bid project Cost will be paid upfront during the Construction phase based on the completion of stages mentioned in CA.
3. CA also states 10% of the Bid Project Cost will be paid as advance and the same will be recovered from milestone payments.
4. 30 Annuity will be paid as biannual installment .
5. Interest : RBI rate plus 3% will be paid by NHAI
6. O&M revenue is fixed as per CA which will be paid in two installments during the year.

(b) Obligations of Operations and maintenance

The Company is required to carry out operations and maintenance on the road annually with an obligation to carry out periodic maintenance in terms of the Concession at regular intervals.

(c) Changes to the Concession during the period

There are no changes to the concession in the current year. However during the previous year contract value is reduced by INR 1,656 Lakh towards descopeing.

(d) Classification of the Concession

The Company has applied the principles enumerated in Appendix C of Ind AS – 115 titled "Service Concession Arrangement" and has classified the arrangement as a Financial Asset resulting in recognition of an Financial Asset. Revenue is recognised during the construction period as revenue from construction services as well as financial income.

(e) Disclosure of Construction services revenue, cost and margin :

The Company is applying INDAS 115" Service Concession Arrangement" to the aforesaid Hybrid Contract. The revenue of the various activities under the concession agreement is being recognised on the basis of the fair value of the revenue of the respective activity estimated by the concessionaire on the basis of its projections across the following activities i.e.,Construction, Operation and Maintenance, Periodic maintenance; This is different from the revenue stated in the Concession Agreement for each of the activity. Financial Asset will be recognised using Internal Rate of Return (IRR). Finance income on the aforesaid financial Asset will be recognised using IRR and the same will be different than what is mentioned in the Concession Agreement.

The Company has recognised the following Revenue, Cost and margin from construction services.

Particulars	March 24 ₹ in Lakh	March 23 ₹ in Lakh
Construction Revenue	5,979.74	10,640.52
Construction Cost ( including Other operational and admin expenses)	5,805.57	10,330.60
<b>Margin earned</b>	<b>174.17</b>	<b>309.92</b>

## II INDAS 115 "Revenue from Contracts with Customers"

### 1 Disaggregation of Revenue

#### (a) Based on type of Services

	(₹ In Lakh)	
	2023-24	2022-23
Construction Revenue	4,849.23	9,321.46
O&M Revenue	1,130.51	1,319.06
Utility Shifting	106.26	1,352.43
Finance Income	4,308.10	4,168.54
	<b>10,394.10</b>	<b>16,161.49</b>

#### (b) Geographical region

The Company is in the business of Construction and maintenance of Four-laning of NH-206 from Mallasandra to Karadi (Karnataka) which is in India.

#### (c) Market Type

There is only one Customer / grantor to whom the services is provided - National Highway Authority Limited (NHAI).

#### (d) Type of Contract

##### Construction:

The Contract is a Hybrid Contract , where the Company will get Bid Project Cost as per Concession Agreement(CA) is ₹ 85,317.00 lakh which will be increased by Price Index . Thus the Contract is a mix of fixed Consideration and variable consideration in the form of Price Inflation Index.

##### Operation and Maintenance:

The Company will get Fixed Amount of Operation and Maintenance receipts as per the terms of the Concession.

##### Finance Income:

The Company will get Interest income on Financial Assets after COD date as per the terms of the Concession.

#### (e) Contract Duration

The said DBOT projects have construction period of 910 days ; coupled with longer maintenance periods of 15 years.

#### (f) Timing of transfer of services

Revenue from Construction activity satisfies the test of over the time and therefore the Revenue from Construction Activity will recognise overtime.

Revenue from Routine Maintenance activity will be recognised overtime.

#### (g) Pending Performance Obligation

The balance performance obligation outstanding as on March 31, 2024 is INR 47,160.07 lakhs. Out of which INR 3,898.88 lakhs is expected to be completed in next year.

(h) The Company has applied for Extension of Timelines for Scheduled Completion of the Project upto 30th June 2024 due to non availability of land. The EOT is recommended by the Independent Engineer but is awaiting approval from NHAI.

## 2 Movement of Contract Balances

### (i) Advance from Customers - Contract Liabilities

	2023-24	2022-23
Opening Balance	445.82	1,486.43
Advance Received during the year	-	-
Advance Adjusted / Recovered	-	(1,040.61)
Closing Balance	<b>445.82</b>	<b>445.82</b>

### (ii) Financial Asset - Contract Assets

	2023-24	2022-23
Opening Balance	27,536.64	25,322.78
Income during the year	10,287.84	14,809.06
Receipt during the year	(9,123.05)	(12,595.20)
Closing Balance	<b>28,701.43</b>	<b>27,536.64</b>

19 Other Income		(₹ In Lakh)	
Particulars	2023-2024	2022-2023	
Interest Income from Fixed Deposits	201.49	26.04	
Interest on Income Tax Refund	0.99	5.79	
Sundry Balances Written Back	39.91	0.07	
<b>Total ::::</b>	<b>242.39</b>	<b>31.89</b>	

20 Operating Expenses		(₹ In Lakh)	
Particulars	2023-2024	2022-2023	
<b>Sub-contracting Charges</b>			
-Construction Cost	4,680.80	8,731.23	
-Utility Shifting	106.26	1,352.43	
-Operation & Maintenance charges	862.27	1,052.10	
Technical Consultancy Charges	86.75	135.90	
Electricity Expenses	78.26	22.20	
Project Monitoring Charges	13.65	25.07	
Toll Equipments	27.19	318.73	
<b>Total ::::</b>	<b>5,855.18</b>	<b>11,637.67</b>	

21 Finance Cost		(₹ In Lakh)	
Particulars	2023-2024	2022-2023	
Interest on Advances from NHAI	-	33.98	
Interest on Term Loan	2,109.55	1,865.70	
Other Financial Charges	116.52	50.78	
<b>Total ::::</b>	<b>2,226.07</b>	<b>1,950.46</b>	

22 Other Expenses		(₹ In Lakh)	
Particulars	2023-2024	2022-2023	
<b>Auditor's Remuneration</b>			
Statutory Audit (including Limited Review)	3.40	3.40	
Tax Audit	0.50	0.50	
Other Services	0.04	0.26	
Insurance	42.48	35.01	
Printing & Stationery	-	0.02	
Rent Rates & Taxes	0.41	0.31	
Legal & Professional Fees	9.69	5.30	
Corporate Social Responsibility	1.59	19.36	
Other Expenses	0.13	0.56	
<b>Total ::::</b>	<b>58.24</b>	<b>64.71</b>	

23 Tax Expense		(₹ In Lakh)	
A Particulars	FY 2023-24	FY 2022-23	
Current Tax	933.68	1.46	
Short/Excess Provision for Earlier	(1.07)	2.05	
Deferred Tax	(312.31)	1,565.39	
<b>Income Tax recognised in statement of profit or loss</b>	<b>620.30</b>	<b>1,568.89</b>	

The reconciliation between the provision of income tax of the Company and amounts computed by applying the Indian statutory income tax rate to profit before taxes is as follows

		(₹ In Lakh)	
Particulars	FY 2023-24	FY 2022-23	
Profit Before tax	2,497.00	2,540.54	
Enacted tax rates in India (%)	25.17%	25.17%	
Computed expected tax expenses	628.45	639.40	
Effects of deductible Expenses	(2,589.25)	(3,727.15)	
Effects of Non-deductible Expenses	2,894.48	3,555.18	
Less : Brought forward losses set off	-	(465.98)	
<b>Income tax expenses - Net</b>	<b>933.68</b>	<b>1.46</b>	

**B Deferred Tax**

Deferred Tax assets/ (liabilities) in relation to :-

(₹ In Lakh)

Particulars	Opening	Recognised during the year	Closing
ICDS Adjustments -March 31, 2023	-	(1,565.39)	(1,565.39)
ICDS Adjustments - March 31, 2024	(1,565.39)	312.31	(1,253.08)

**24 Earnings Per Share ('EPS') :**

Disclosure as required by Accounting Standard – IND AS 33 “Earning Per Share” of the Companies (Indian Accounting Standards) Rules

**A Net Profit / (loss) attributable to equity shareholders and the weighted number of shares outstanding for basic and diluted earnings per share are as summarised below:**

Particulars	FY 2023-24	FY 2022-23
Profit / (Loss) for the period (₹ in Lakh)	1,876.70	971.65
Outstanding equity shares at period end	3,53,30,000	3,53,30,000
Weighted average Number of Shares outstanding during the period – Basic	3,53,30,000	3,53,30,000
Weighted average Number of Shares outstanding during the period - Diluted	3,53,30,000	3,53,30,000
Earnings per Share - Basic (₹ Per Share)	5.31	2.75
Earnings per Share - Diluted (₹ Per Share)	5.31	2.75

**B Reconciliation of weighted number of outstanding during the period:**

Particulars	FY 2023-24	FY 2022-23
Nominal Value of Equity Shares (₹ Per Share)	10.00	10.00
Total number of equity shares outstanding at the beginning of the period	3,53,30,000	3,53,30,000
Add : Issue of Equity Shares during the period	-	-
Total number of equity shares outstanding at the end of period	3,53,30,000	3,53,30,000
Weighted average number of equity shares at the end of period- Basic	3,53,30,000	3,53,30,000
Weighted average number of equity shares at the end of period- Dilutive	3,53,30,000	3,53,30,000

**25 Expenditure incurred on Corporate Social Responsibility****Corporate Social Responsibility**

The company is covered under section 135 of the companies act, the following is the disclosed with regard to CSR activities:-

(₹ In Lakh)

Particulars	FY 2023-24	FY 2022-23
1 Gross amount required to be spent by the company during the year.	1.59	19.36
2 Amount approved by the Board to be spent during the year	-	19.36
- Ongoing	-	19.36
- Other than ongoing	-	-
3 Amount spent during the year on:		
(a) Construction/acquisition of any asset	21.87	19.36
(b) On purposes other than (a) above	-	-
Total	21.87	19.36
4 Shortfall/(Excess) at the end of the year,	(20.28)	-
5 Total of previous years shortfall,	-	-

**7 Nature of CSR activities-**

(₹ In Lakh)

Particulars	FY 2023-24	FY 2022-23
(a) Towards Construction of Oncology and Maternity Infrastructure in Hospital	21.87	19.36

**8 Details of related party transactions**

Particulars	FY 2023-24	FY 2022-23
Ashoka Institute of Medical Sciences & Research ("AIMSR")	21.87	19.36

**9 Disclosures under section 135(6)**

In case of S. 135(6) unspent amount

(₹ In Lakh)

Particulars	FY 2023-24	FY 2022-23
Opening Balance	-	-
Amount deposited in Unspent CSR Bank account within 30 days from the end of the Financial Year	-	-
Amount required to be spent	1.59	-
Amount spent during the year	21.87	-
Shortfall / (Excess)	(20.28)	-

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(All figures are in ₹ lakh unless otherwise stated)

26 Disclosure in accordance with Ind AS - 24 "Related Party Disclosures", of the Companies ( Indian Accounting Standards) Rules, 2015

(A) List of Related Parties

(a) Parties where control exists

- (i) Ashoka Buildcon Ltd. (Ultimate Holding Company)
- (ii) Ashoka Concessions Ltd (Holding Company)

(B) Key management personnel (KMP) and their relatives:

- (i) Anil S. Gandhi (Managing Director)
- (ii) Sanjay Prabhakar Ingle (Director)
- (iii) Ajay Kankariya Amolakchand (Director) Resigned w.e.f March 30, 2024
- (iv) Ashish Ashok Kataria (Additional Director) w.e.f March 30, 2024

(C) Entities where directors are interested:

Ashoka Institute of Medical Sciences & Research ("AIMSR") w.e.f March 30,2024.

(D) Transactions during the period:

(₹ In Lakh)

Nature of Transactions	Parties Where Control Exists	
	FY 2023-24	FY 2022-23
<b>Quasi Equity / Unsecured Loan received</b>		
Ashoka Concessions Ltd	-	1,778.00
<b>Subcontracting Expenditure</b>		
Ashoka Buildcon Ltd -EPC	4,680.80	8,731.23
Ashoka Buildcon Ltd-Utility	106.26	1,352.43
Ashoka Concessions Ltd - Routine Maintenance	862.27	1,052.10
Ashoka Concessions Ltd - Project Consultancy Charges	13.65	25.07
<b>Mobilisation Advance Recovered</b>		
Ashoka Buildcon Ltd	-	381.58
<b>COS Advance Recovered</b>		
Ashoka Buildcon Ltd	-	163.73
<b>Bank Guarantee Received</b>		
Ashoka Buildcon Ltd	-	917.00
<b>Corporate Social Responsibility</b>		
Ashoka Institute of Medical Sciences & Research ("AIMSR")	21.87	19.36
<b>Loan Taken</b>		
Ashoka Buildcon Ltd	220.00	-
<b>Loan Repaid</b>		
Ashoka Buildcon Ltd	220.00	-
<b>Outstanding balance Payable</b>		
Ashoka Buildcon Ltd - Projects	1,590.22	2,498.31
Ashoka Buildcon Ltd - Interest Payable	3.22	3.22
Ashoka Concessions Ltd - Project Consultancy Charges	96.22	908.43
<b>Quasi Equity- O/s</b>		
Ashoka Concessions Ltd	3,140.00	3,140.00
<b>Outstanding balance Receivable</b>		
Ashoka Buildcon Ltd- COS Advance	445.82	445.82

Transactions pertaining to contract expenses 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. This assessment is undertaken during the financial year through examining the financial position of the related party and the market in which the related party operates.

27 Disclosure in accordance with Ind AS – 108 "Operating Segments", of the Companies (Indian Accounting Standards) Rules, 2015.

Segment Information: As the company's business activities falls within a single primary business segment viz. " Infrastructure Development" vide DBOT Hybrid Annuity Project , and it operates in a single geographical segment i.e. India. As such, there is no separate reportable segment under Ind AS - 108 on Operating Segments.

28 Derivative Instruments and Unhedged Foreign Currency Exposure

There are no derivative instruments outstanding as at March 31, 2024 and March 31,2023.

29 Contingent liabilities

There are no contingent liabilities as at March 31,2024 and March 31,2023.

30 In the opinion of the Board of Directors, all the assets have value on realisation in the ordinary course of business at least equal to the amount at which they are stated in the balance sheet.

**31 Financial instruments**

The carrying value and fair value of financial instruments by categories.

(₹ In Lakh)

Particulars	Carrying Value		Fair Value	
	As at 31-Mar-24	As at 31-Mar-23	As at 31-Mar-24	As at 31-Mar-23
<b>Financial assets</b>				
<b>Amortized cost:</b>				
Trade Receivables	614.31	5,992.85	614.31	5,992.85
Cash and bank balances	148.33	0.64	148.33	0.64
Other Bank Balances	1,287.75	2,002.59	1,287.75	2,002.59
Other financial assets	31,675.72	27,669.70	31,675.72	27,669.70
<b>Total Financial Assets</b>	<b>33,726.11</b>	<b>35,665.78</b>	<b>33,726.11</b>	<b>35,665.78</b>
<b>Financial liabilities</b>				
<b>Amortized cost:</b>				
Borrowings	19,889.95	21,820.41	19,889.95	21,820.41
Trade payable	1,706.91	3,413.96	1,706.91	3,413.96
Other Financial Liabilities	35.72	23.98	35.72	23.98
<b>Total Financial Liabilities</b>	<b>21,632.57</b>	<b>25,258.36</b>	<b>21,632.57</b>	<b>25,258.36</b>

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

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

**32 Fair Value Hierarchy**

This section explains the judgments and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the group has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

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

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

**i) Recognised and measure at fair value**

There is no outstanding financial instrument as on March 31, 2024 and March 31, 2023 which are measured at fair value.

**The following methods and assumptions were used to estimate the fair values:**

- ii) Long-term fixed-rate receivables are evaluated by the Company based on parameters such as interest rates, specific country risk factors, and individual creditworthiness of the customer and the risk characteristics of the financed project. Based on this evaluation, allowances are taken into account for the expected losses of these receivables.
- iii) The fair value of non-current financial liabilities is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities. The valuation requires management to use unobservable inputs in the model, Management regularly assesses a range of reasonably possible alternatives for those significant unobservable inputs and determines their impact on the total fair value.

**33 Financial Risk Management**

The Company is in the business of Construction and maintenance of Four laning of Tumkur – Shivamogga section from Km 12+310 (Design km 12+300) to Km 66+540 ( Design Km 65+195) from Mallasandra to Karadi Village of NH-206 on Hybrid Annuity Mode under NHDP Phase-IV in the state of Karnataka . The nature of the business is capital intensive and the Company is exposed to interest , WPI and pricing risk. DBOT projects which the Company undertakes are capital intensive and have gestation period of 730 days ; coupled with longer maintenance periods of 15 years. Given the nature of the segments in which the company operates, be it in the Road Sector, it is critical to have a robust, effective and agile Risk Management Framework to ensure that the Company's operational objectives are met and continues to deliver sustainable business performance.

The Company's activities expose it to a variety of financial risks: inflation risk, credit risk, liquidity risk, and interest rate risk, regulatory risk and business risk. The Company's primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The primary market risk to the company is inflation and interest rate risk.



The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below:

**i Business / Market Risk**

Business/ Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. The concession consists of constructing a Road and therefore the largest business risk is the timely execution and completion of the project and achieving Commercial Operations Date ie. the completion milestone. Since the project is on annuity basis, the biggest business risk is ensuring the concession terms are adequately adhered to and the project is completed as per the business plan to ensure cash flow from annuity is recorded on time.

**ii Capital and Interest rate Risk:-**

Infrastructure projects are typically capital intensive and require high levels of long-term debt financing. These factors include: timing and internal accruals generation; timing and size of the projects awarded; credit availability from banks and financial institutions; the success of its current infrastructure development projects. Besides, there are also several other factors outside its control. As at the Balance Sheet date the Company has not availed loan from lenders and hence average cost of funding cannot be stated. 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's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term and short term borrowing with floating interest rates.

**iii Interest rate sensitivity**

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans ,borrowings ,Mobilization Advances Liability and Financial Assets Receivable. With all other variables held constant, the Companies profit before tax is affected through the impact on floating rate borrowings, as follows:

Particulars	Increase/ Decrease in basis points	Effects on Profit before tax.
		(₹ In Lakh)
<b>Payables</b>		
March 31, 2024	+100	(198.90)
	-100	198.90
March 31, 2023	+100	(221.55)
	-100	221.55
<b>Receivables</b>		
March 31, 2024	+100	287.01
	-100	(287.01)
March 31, 2023	+100	275.37
	-100	(275.37)

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment, showing a significantly higher volatility than in prior years.

**iv Credit risk:-**

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investment securities. Credit risk arises from cash held with banks and financial institutions, as well as credit exposure to clients, including outstanding accounts receivable.

**Financial Assets**

The maximum exposure to the credit risk at the reporting date is primarily from trade receivable on account of Utility Shifting and on account of Financial Asset Receivable as per Appendix C -INDAS 115 " Service Concession Arrangements" amounts to ₹ 29,315.75 lakhs and ₹ 33,529.49 lakhs as at March 31, 2024 and March 31,2023 respectively. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets. In the case of the Company , the customer is NHAI which is a GOI undertaking , and therefore the credit risk is minimal.

**v Liquidity risk**

Timely completion of the project and receipt of annuity payment on time has a major impact on the liquidity of the company. The delay caused due to the grantor and the timely receipt of compensation from the grantor impacts liquidity of the company.

## vi The Working Capital Position of the Company is given below :

Particulars	(₹ In Lakh)	
	As at March 31, 2024	As at March 31, 2023
Trade receivables	614.31	5,992.85
Cash and Cash Equivalent	148.33	0.64
Other Bank Balances	1,287.75	2,002.59
Other Current Financial Assets	10,104.26	11,299.67
Other Current Assets	2,113.15	2,440.26
<b>Total</b>	<b>14,267.79</b>	<b>21,736.01</b>
<b>Less:</b>		
Short Term Borrowings	-	1,952.50
Trade payables	1,706.91	3,413.96
Other Financial Liability	35.72	23.98
Other current liabilities	459.59	835.05
Current Tax Liabilities (net)	156.42	-
<b>Total</b>	<b>2,358.64</b>	<b>6,225.50</b>
<b>Net Working Capital</b>	<b>11,909.15</b>	<b>15,510.51</b>

The table below provides details regarding the contractual maturities of significant financial liabilities:

Particulars	Less than 1 year	1-5 years	More than 5 years	Total
<b>As at March 31, 2024</b>				
Borrowings	-	7,510.50	12,503.25	20,013.75
Trade payables	1,706.91	-	-	1,706.91
Other financial liabilities	35.72	-	-	35.72
<b>Total</b>	<b>1,742.63</b>	<b>7,510.50</b>	<b>12,503.25</b>	<b>21,756.38</b>
<b>As at March 31, 2023</b>				
Borrowings	1,952.50	5,225.00	14,788.75	21,966.25
Trade payables	3,413.96	-	-	3,413.96
Other financial liabilities	23.98	-	-	23.98
<b>Total</b>	<b>5,390.44</b>	<b>5,225.00</b>	<b>14,788.75</b>	<b>25,404.19</b>

(\* ) Maturity profile given is not adjusted for INDAS adjustment done with respect to Borrowings in the financials.

## vii Input cost risk

Raw materials, such as bitumen, stone aggregates cement and steel, need to be supplied continuously to complete projects undertaken by the group. As mentioned in the earlier paragraph of the business risk and the competition risk the input cost is a major risk to attend to ensure that the Company is able to contain the project cost within the estimate projected to the lenders and the regulators. To mitigate this the company has sub-contracts the construction of the facility at a fixed price contract its Ultimate holding Company i.e, Ashoka Buildcon Ltd.

## viii Exchange risk

Since the operations of the company are within the country, the company is not exposed to any exchange risk directly. The company also does not take any foreign currency borrowings to fund its project and therefore the exposure directly to exchange rate changes is minimal.

However there are indirect effects on account of exchange risk changes, as the price of bitumen, which is a by-product of the crude, is dependent upon the landed price of crude in the country.

## 34 Capital management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions. 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 a gearing ratio, which is net debt divided by total capital plus net debt. The gearing ratio in the infrastructure business is generally high. Gearing Ratio is tabulated hereunder.

Particulars	(₹ In Lakh)	
	As at March 31, 2024	As at March 31, 2023
Gross Debt	20,013.75	21,966.25
<b>Less:</b>		
Cash and Cash Equivalent	148.33	0.64
Other Bank Balances	1,287.75	2,002.59
<b>Net debt</b>	<b>18,577.67</b>	<b>19,963.02</b>
Equity including Other Equity	12,337.91	10,461.21
<b>Capital and Net debt</b>	<b>30,915.59</b>	<b>30,424.22</b>
<b>Gearing ratio (Net Debt/ Capital &amp; Net Debt)</b>	<b>0.60</b>	<b>0.66</b>

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

### 35 Relationship with Struck off Companies

The information about transaction with struck off Companies (defined under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956) has been determined to the extent such parties have been identified on the basis of the information available with the Company and the same is relied upon by the auditors.

### 36 Analytical Ratios as per requirements of Schedule III

Ratio	Numerator/ Denominator	Ratio (2023-24)	Ratio (2022-23)	% of Variation	Reason for variance
Current ratio	<u>Current Asset</u> Current Liabilities	6.05	3.49	73.26%	Overall reduction in liabilities has resulted in positive variance
Debt-Equity ratio	<u>Total Debts</u> Shareholders Equity	1.62	2.10	-22.75%	
Debt Service Coverage ratio(*)	<u>Earnings available for debt service</u> Debt Service	1.25	1.20	4.27%	
Return on Equity ratio ( ROE)	<u>Net Profits after taxes – Preference Dividend</u> Average Shareholder's Equity	16.46%	10.69%	53.95%	Increase in Net profits
Inventory Turnover Ratio	<u>Cost of goods sold OR sales</u> Average Inventory	NA	NA	NA	NA
Trade Receivables turnover ratio	<u>Net Credit Sales</u> Average Accounts Receivable	3.15	4.84	-35.05%	Due to Business model - Upfront payment of 40% during construction and balance 60 % in form of Annuity over a period of 15 years.
Trade payables turnover ratio	<u>Total Expenses</u> Average Trade Payables	3.18	4.56	-30.33%	
Net capital turnover ratio	<u>Net Sales</u> Average working capital	0.76	1.02	-25.82%	
Net profit ratio	<u>Net Profit after Tax</u> Net Sales	18.06%	6.01%	200.32%	Increase in Net profits
Return on Capital employed (ROCE)	<u>Earning before interest and taxes</u> Capital Employed	14.05%	13.21%	6.38%	
Return on Investment (ROI)	NA	NA	NA	NA	NA

**37 Audit Trail**

The Ministry of Corporate Affairs (MCA) by the Companies (Accounts) Amendment Rules 2021 and vide notification dated 24 March 2021 has issued the "Companies (Audit and Auditors) Amendment Rules, 2021" has prescribed a new requirement for companies under the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 inserted requiring companies, which uses accounting software for maintaining its books of account, shall use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled.

As required under above rules, the company has used SAP application as accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all transactions recorded and the audit trail feature has not been tampered with. However the audit trail feature was not enabled at the database level for accounting software SAP HANA to log any direct data changes, used for maintenance of all accounting records by the Company.

**38** Figures of the previous period have been regrouped/reclassified wherever necessary.

**39** The balance sheet, statement of profit and loss, cash flow statement, statement of changes in equity, statement of material accounting policy information and the other explanatory notes forms an integral part of the financial statements of the Company for the year ended March 31, 2024.

As per our report of even date attached

**For Natvarlal Vepari & Co**

Chartered Accountants

FRN: 106971W

For & on behalf of the Board of Directors

**ASHOKA MALLASANDRA KARADI ROAD PRIVATE LIMITED**

Pratik Boghani

**Partner**

M.No: 183338

Pooja Lopes

**Company Secretary**

Ravindra M Vijayvargiya

**Chief Financial Officer**

Ashish A. Kataria

**Director**

DIN : 00580763

Anil S. Gandhi

**Managing Director**

DIN - 00112675

Date: May 18, 2024

Place: Mumbai

Date: May 18, 2024

Place: Nashik