

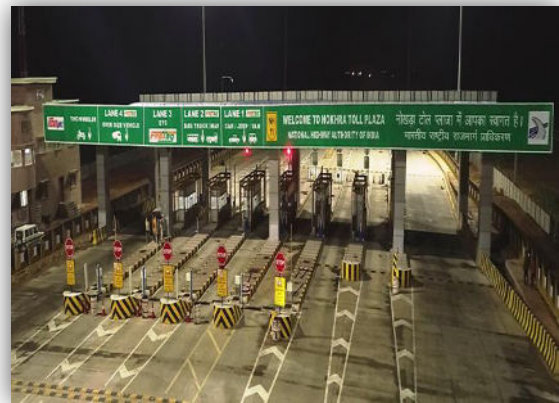


IRCON PB TOLLWAY LIMITED (*IrconPBTL*)

(A Wholly-owned subsidiary of Ircon International Limited)

CIN: U45400DL2014GOI272220

FIFTH (5TH) ANNUAL REPORT FY 2018-19



Regd. Office: C-4, District Centre, Saket, New Delhi - 110017

HIGHWAY PROJECT PARTNERING IN INDIA'S GROWTH

COMPANY PROJECT

“Widening & Strengthening of the existing Bikaner & Phalodi Section to Four lane from km 4.200 to km 55.250 & Two Lane with paved shoulder from Km 55.250 to Km 163.500 of NH-15 on Build, Operate & Transfer (BOT) (Toll) basis in the State of Rajasthan, in accordance with the terms of the Concession Agreement with NHAI”

BOARD OF DIRECTORS

Mr. Deepak Sabhlok, Part-time Chairman
Mr. Ashok Kumar Goyal, Part-time Director
Mr. Anand Kumar Singh, Part-time Director
Mr. Rajendra Singh Yadav, Part-time Director
Ms. Anupam Ban, Part-time Director

KEY MANAGERIAL PERSONNEL

Mr. Atul Kumar, Chief Executive Officer
Mr. Sanjay Podder, Chief Financial Officer
Ms. Shudodhani, Company Secretary

BOARD COMMITTEES

1. Audit Committee - Mr. Anand Kumar Singh, Chairman
2. Nomination & Remuneration Committee – Mr. Ashok Kumar Goyal, Chairman
3. CSR & Sustainability Committee – Ms. Anupam Ban, Chairman

STATUTORY AUDITOR

M/s Praveen Aggarwal & Co.
Chartered Accountants

COST AUDITOR

M/s Ravi Sahni & Co.,
Cost Accountants

SECRETARIAL AUDITOR

Mr. Chaitanya Udgirkar,
Practising Company Secretary

EPC CONTRACTOR TO COMPANY

Ircon International Limited

CONTACT PERSON

Ms. Shudodhani
Company Secretary
Email id: busi.info.irconpbtL@gmail.com
Tel: 011-26545767, M: 9818119256

REGISTERED OFFICE

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

VISION & MISSION STATEMENT

VISION

To establish and steer the Company towards development of the Project Highway, the Bikaner- Phalodi Section on NH-15, in the State of Rajasthan and ensuring the users of the project highway are benefitted thereof and achieving higher revenues from the constructed toll plazas and making the Company stand at par in delivering the expected project output within the optimum time period.

MISSION

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

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### **COMPANY FORMATION**

The Stones of Foundation were laid on 30<sup>th</sup> September 2014  
Incorporated as Concessionaire in terms of the Concession Agreement with National  
Highways Authority of India (NHAI)

### **BUSINESS OBJECTIVE**

#### **CONSTRUCTION, MAINTENANCE, COMMISSIONING AND OPERATION OF PROJECT HIGHWAY**

“Widening and Strengthening of the existing Bikaner & Phalodi Section to Four lane from km  
4.200 km to 55.250 and Two Lane with paved shoulder from Km 55.250 to Km 163.500 of  
NH-15 on Build, Operate, and Transfer (BOT) (Toll) basis in the State of Rajasthan”

**Four Laning: 51.05 Km and Two Laning: 108.250 Km**

### **EPC CONTRACTOR**

Ircon International Limited (‘Ircon’)

### **CONCESSION PERIOD: 26 YEARS**

Concession has been granted by NHAI as the exclusive right, license and authority to  
construct, operate and maintain the project through Concession Agreement signed on  
07.11.2014

### **PROJECT PHASE: OPERATION & MAINTENANCE PHASE**

**COMMISSIONING OF TOLLWAY OPERATIONS: 15<sup>th</sup> February 2019 (Provisional COD)**

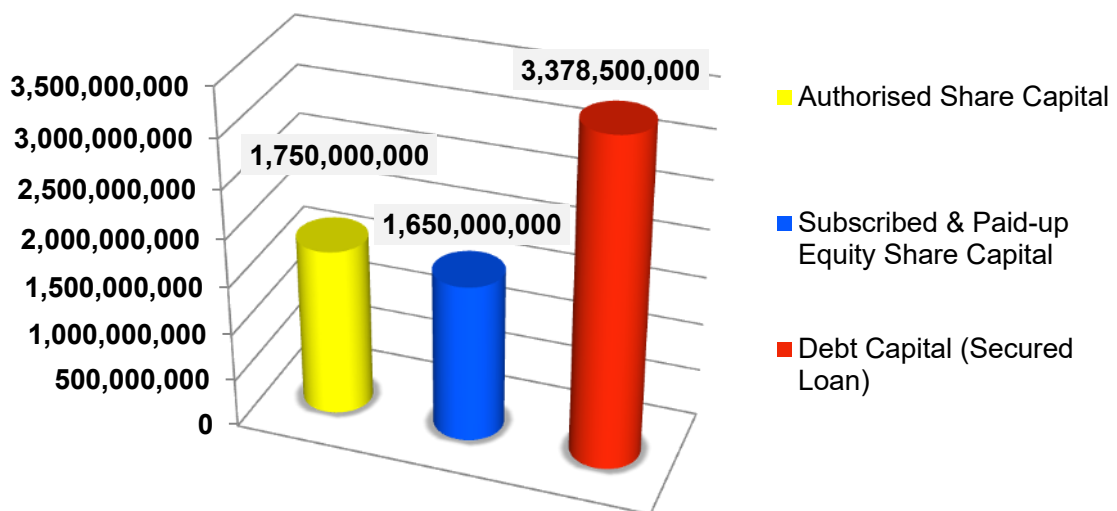
Balance Project Works are continuously progressing

~~~~~\*\*\*~~~~~

STATEMENT OF EQUITY & DEBT CAPITAL
(AS ON 31st MARCH 2019)

| Particulars of Capital | Amount In INR |
|---|-----------------------|
| SHARE CAPITAL | |
| Authorised Share Capital
(17,50,00,000 Shares of ` 10/- each) | 1,75,00,00,000 |
| Subscribed & Paid-up Equity Share Capital
(16,50,00,000 Equity Shares of ` 10/- each) | 1,65,00,00,000 |
| DEBT CAPITAL | |
| Borrowings (Secured Loan)
(Interest Rate: SBI Base Rate + 0.50% p.a.) | 3,37,85,00,000 |

Equity Share Capital & Debt Capital As On 31st March 2019



BOARD OF DIRECTORS OF IRCON PB TOLLWAY LTD.

[PART-TIME (NOMINEE) DIRECTORS]



**Mr. Deepak Sabhlok, Chairman
[Director (Projects), IRCON]**



**Mr. Ashok Kumar Goyal, Director
Executive Director/Projects, IRCON**



**Mr. Anand Kumar Singh, Director
Executive Director/Finance, IRCON**



**Mr. Rajendra Singh Yadav, Director
Project Director/Vadodara, IRCON**



**Ms. Anupam Ban, Director
Chief General Manager/HRM, IRCON**

KEY MANAGERIAL PERSONNEL OF IRCON PB TOLLWAY LTD.



Mr. Atul Kumar
Chief Executive Officer
[w.e.f. 31.05.2019]



Mr. Sanjay Podder
Chief Financial Officer
[w.e.f. 20.02.2018]



Ms. Shudodhani
Company Secretary

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| Sr. No. | Particulars |
|----------------|--|
| (i) | Notice of Fifth (5 th) Annual General Meeting (AGM) |
| (ii) | Board’s Report |
| (iii) | Auditor’s Report |
| (iv) | IND AS Audited Financial Statements (2018-19) <ul style="list-style-type: none">➤ Balance Sheet➤ Statement of Profit and Loss➤ Cash Flow Statement➤ Statement of Changes in Equity➤ Summary of Significant Accounting Policies➤ Notes to Financial Statements including Disclosures |
| (v) | Attendance Slip & Proxy Form |

NOTICE OF FIFTH (5th) ANNUAL GENERAL MEETING OF IRCON PB TOLLWAY LIMITED (‘IrconPBTL’)

SHORTER NOTICE IS HEREBY GIVEN THAT the Fifth (5th) Annual General Meeting of the Members of Ircon PB Tollway Limited (IrconPBTL) will be held on Monday, the 26th day of August 2019, at 1600 hours in Chairman’s Chamber, 3rd Floor, Ircon International Limited Building, C-4, District Centre, Saket, New Delhi, to transact the following businesses as:

ORDINARY BUSINESS:-

- 1. To receive, consider and adopt the IND AS Audited Financial Statements of the Company for the financial year ended 31st March 2019 and the report of the Board of Directors including the disclosure on related party transactions and the report on Corporate Governance, and the Auditors Report thereon including Comments of the Comptroller and Auditor General of India (CAG), if any.**

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

“RESOLVED THAT the IND AS Audited Financial Statements of the Company including the Balance Sheet of the Company as on 31st March 2019, the Statement of Profit and Loss for the year ended 31st March 2019, the Statement of Cash Flows for the year ended 31st March 2019, the Statement of Changes in Equity, summarised significant accounting policies, alongwith the appended notes to accounts and the Auditor’s Report thereon for the Financial Year 2018-2019 including Comments of the Comptroller and Auditor General of India (CAG) as well as the Board of Director’s Report alongwith its Annexures including the Management Discussion and Analysis Report, Corporate Governance Report including Report on Corporate Social Responsibility and Secretarial Audit Report, as circulated to the members of the Company and as laid before the meeting, be and are hereby approved and adopted.”

- 2. To authorise the Board of Directors to fix the remuneration of the Statutory Auditors of the Company, to be appointed by the Comptroller and Auditor General of India for the Financial Year 2019-2020.**

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

“RESOLVED THAT the Board of Directors of the Company be and are hereby authorised to decide and fix, based upon the recommendation of the Audit Committee, the audit fees for the Financial Year 01.04.2019 to 31.03.2020 to be paid as remuneration to the statutory auditors of the Company, plus out of pocket expenses, to be paid, if any, as appointed by the Comptroller & Auditor General of India in terms of Section 139(5) read with Section 142(1) of the Companies Act, 2013.”

SPECIAL BUSINESS:-

3. **To ratify the remuneration of the Cost Auditors of the Company – M/s Ravi Sahni & Co., Cost Accountants, for the financial year 2018-19.**

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

“RESOLVED THAT in pursuance of Section 148(3) of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 and Companies (Cost Records and Audit) Rules, 2014, and other applicable provisions of the Companies Act, 2013 (including any statutory modifications or amendments thereto), the payment of remuneration of Rs. 40,000/- plus applicable taxes to the Cost Auditors of the Company, appointed for the financial year 2018-19, M/s Ravi Sahni & Co., Cost Accountants, holding firm registration no. 100193, and having registered office at C-40, West Gorakh Park Extension, New Delhi – 110032, be and is hereby approved.”

4. **To ratify the remuneration of the Cost Auditors of the Company – M/s Ravi Sahni & Co., Cost Accountants, for the financial year 2019-20.**

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

“RESOLVED THAT in pursuance of Section 148(3) of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 and Companies (Cost Records and Audit) Rules, 2014, and other applicable provisions of the Companies Act, 2013 (including any statutory modifications or amendments thereto), the payment of remuneration of Rs. 60,000/- plus applicable taxes to the Cost Auditors of the Company, appointed for the financial year 2019-20, M/s Ravi Sahni & Co., Cost Accountants, holding firm registration no. 100193, and having registered office at C-40, West Gorakh Park Extension, New Delhi – 110032, be and is hereby approved.”

**BY THE ORDER OF THE BOARD OF DIRECTORS
For Irrcon PB Tollway Limited**

**Sd/-
(Shudodhani)
Company Secretary
ACS No.: 36883**

Date: 07.08.2019

Place: New Delhi

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.

The instrument appointing the Proxy, in order to be effective, should be deposited, duly complete and signed, at the Registered Office of the Company not less than (48) Forty-Eight hours before the scheduled start of the meeting. Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of not more than fifty (50) members and holding in

aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy, who shall not act as a proxy for any other person or shareholder. The appointment of proxy shall be in the **Form No. MGT.11** annexed herewith.

Members/Proxies are requested to bring their duly filled Attendance Slip along with the copy of the Annual Report to the Meeting. Corporate Members intending to send their authorized representatives to attend the Meeting are requested to send a certified true copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.

2. In case of joint holders attending the Meeting, only such joint holders who are higher in the order of names will be entitled to vote.
3. Voting to be by show of hands in the first instance. Every member present in person shall have only one vote on a show of hands. Only when a poll is demanded under Section 109, every such member shall have one vote for every share held by him/her.
4. Members are requested to send their queries at least 2 days before the date of meeting so that information can be made available at the meeting.
5. Five members (shareholders) of the Company personally present throughout the meeting is the Quorum.
6. All shareholders are requested to intimate changes, if any, in their registered address immediately to the Company.
7. Pursuant to Section 101 and 136 of the Companies Act, 2013 read with relevant rules made thereunder, Companies can serve Annual Reports and other communications through electronic mode to those members who have registered their e-mail addresses either with the Company. Members who have not registered their e-mail addresses with the Company can now register the same by submitting a request letter in this respect to the Company.
8. The Notice of the AGM and Attendance Slip is being sent in electronic mode to members whose e-mail IDs are registered with the Company unless the members have registered a request for a hard copy of the same. Physical copy of the Notice of AGM and Attendance Slip is being sent to those members who have not registered their e-mail IDs with the Company.
9. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or arrangements in which the directors are interested under Section 189 of the Companies Act, 2013, will be available for inspection at the AGM.
10. A brief in respect of ordinary business items 1 & 2 is attached as an **Annexure** to this Notice.
11. Explanatory Statement in pursuance of Section 102 of the Companies Act 2013 is duly enclosed to this Notice.

12. Route map including prominent landmark for easy location of the Registered Office (venue of the meeting) is also provided enclosed to this Notice.

To

- 1. All Shareholders of the Company**
- 2. All Directors of the Company**
- 3. M/s Praveen Aggarwal & Company**
Chartered Accountants (Statutory Auditors)
- 4. Practising CS Chaitanya Udgirkar**
Practising Company Secretary (Secretarial Auditor)
- 5. M/s Ravi Sahni & Co.**
Cost Accountants (Cost Auditor)

BRIEF NOTES IN RESPECT OF THE ORDINARY BUSINESS TO BE TRANSACTED AT THE ANNUAL GENERAL MEETING (AGM)**ITEM NO. 1: -**

To receive, consider and adopt the IND AS Audited Financial Statements of the Company for the financial year ended 31st March 2019 and the report of the Board of Directors including the disclosure on related party transactions and the extract of annual return, and the Auditors Report thereon including Comments of the Comptroller and Auditor General of India (CAG), if any.

The Financial Statements of the Company for the financial year 2018-19 alongwith its Notes and Annexures thereto and the Draft Auditors Report on the financial statements, were approved and noted by the Board of Directors at their 33rd meeting held on 02.05.2019. Final Audit Report was issued and signed on 17.05.2019.

The Director's Report alongwith its Annexures including the Management Discussion and Analysis Report, Form AOC-2, the Corporate Governance Report including Report on Corporate Social Responsibility and Secretarial Audit Report were approved by the Board of Directors at its meeting held on 29.07.2019.

The Supplementary Audit has been conducted by the Comptroller and Auditor General of India (C&AG) on the Ind AS Financial Statements of the Company for the financial year 2018-19. The Comments of C&AG, if any, on the said Financial Statements shall be placed at the AGM of the Company.

ITEM NO. 2: -

To authorise the Board of Directors to fix the remuneration of the Statutory Auditors of the Company, to be appointed by the Comptroller and Auditor General of India for the Financial Year 2019-2020.

As per Section 139(5) of the Companies Act, 2013, the auditors of a government company are appointed by the Comptroller & Auditor General of India (C&AG). Accordingly, the Comptroller and Auditor General of India (C&AG), shall appoint the Statutory Auditors of the Company, for the Financial Year 2019-20.

As regards the fixation of remuneration of Statutory Auditors, in terms of Section 142(1) of the Companies Act, 2013, the **remuneration of the statutory auditors is to be fixed at the Annual General Meeting (AGM)** of the Company by the Members, pursuant to the decision taken by them or by issuing authorisations for deciding the remuneration in any other manner. Further, according to the provisions of the Companies Act, 2013 and Corporate Governance Guidelines issued by DPE, one of the functions of Audit Committee of Board is recommending to the Board of Directors fixation of audit fee, and also approval for payment to statutory auditors for any other services that may be required of them.

Thus, on a harmonious application of the aforesaid legal provisions and also considering the fact that the Company’s Management and Auditors, need to review the scale of financial transactions to be audited, during the year, the remuneration to be paid to the Statutory Auditors of the Company, including out of pocket expenses, is proposed to be decided by the Board of Directors (by giving authorization for the same), based upon recommendations of the Audit Committee.

It is also to be noted that the remuneration approved for Statutory Auditors for the previous financial year’s 2017-18 and 2018-19 has been ` 75,000/- plus taxes and the remuneration to be paid for financial year 2019-20 is expected to be starting from ` 75,000/- (Rupees Seventy Five Thousand Only).

Accordingly, a resolution is being proposed for authorizing Board of Directors for fixing remuneration and permissible expenses of auditors for the financial year 2018-19, on recommendations of the Audit Committee and the Members are requested to accord approval for the same.

Note: None of the directors and Key Managerial Personnel of the Company are in any way concerned or interested in any of the resolutions of ordinary business items.

EXPLANATORY STATEMENT U/S 102 OF THE COMPANIES ACT, 2013**Item No. 3: Ratification of Remuneration of Cost Auditors of the Company – M/s Ravi Sahni & Co, Cost Accountants – FY 2018-19**

The Board of Directors of your Company have at their 31st meeting held on 25th March 2019, approved the appointment of the Cost Auditors of the Company for the financial year 2018-19– M/s Ravi Sahni & Co., Cost Accountants, based upon the recommendations of the Audit Committee of the Board.

In terms of Rule 14 of the Companies (Cost Audit and Records) Rules, 2014, the remuneration of the Cost Auditor of the Company has to be ratified by the shareholders of the Company.

Accordingly, the remuneration approved by the Board of Directors at the aforesaid meeting is Rs. 40,000/- plus applicable taxes; based upon the recommendations of the Audit Committee.

The Shareholders are requested to ratify the remuneration approved by the Board of Directors.

Item No. 4: Ratification of Remuneration of Cost Auditors of the Company – M/s Ravi Sahni & Co, Cost Accountants – FY 2019-20

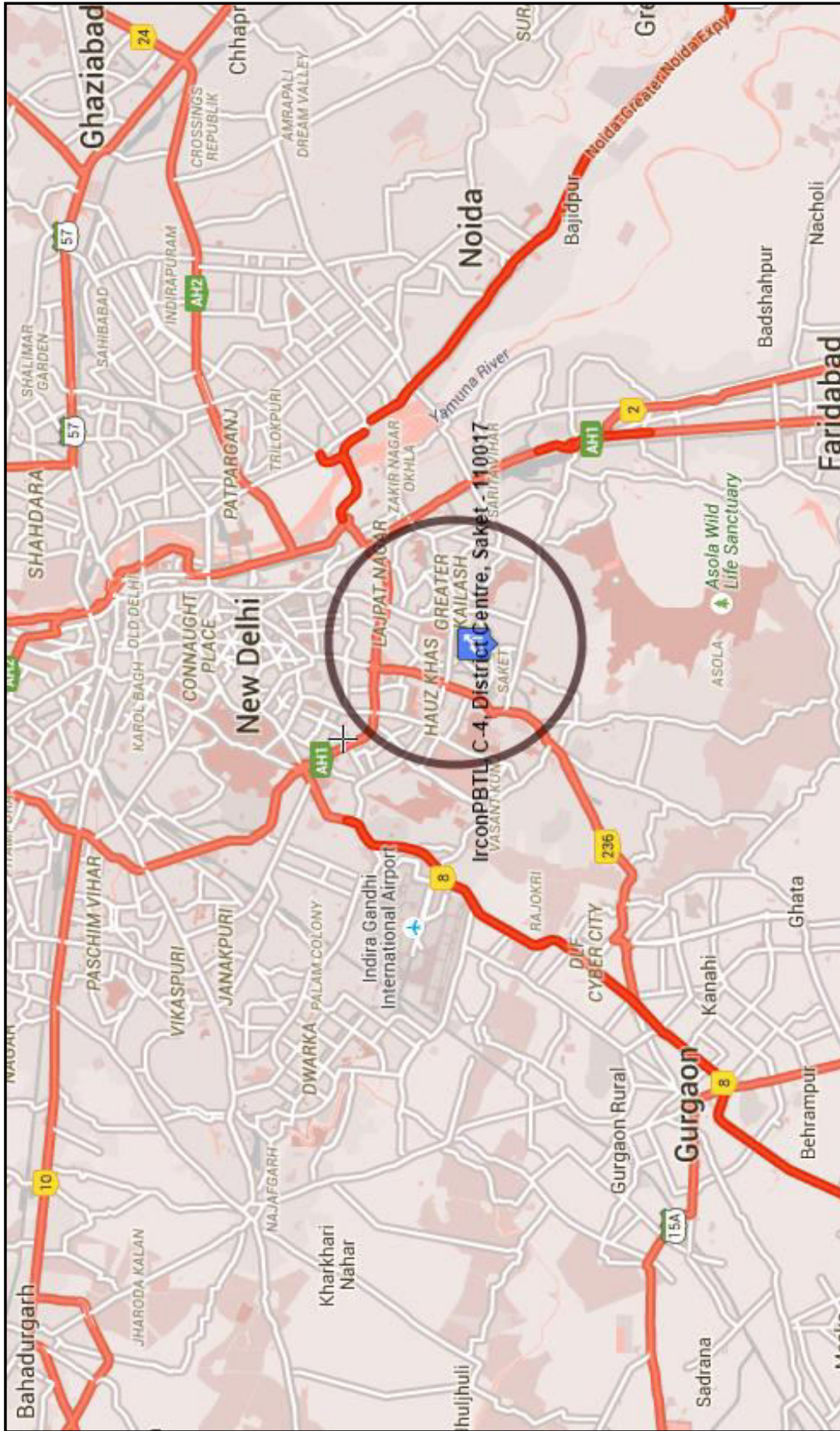
The Board of Directors of your Company have at their 35th meeting held on 29th July 2019, approved the re-appointment of the Cost Auditors of the Company for the financial year 2019-20 – M/s Ravi Sahni & Co, Cost Accountants, based upon the recommendations of the Audit Committee of the Board.

In terms of Rule 14 of the Companies (Cost Audit and Records) Rules, 2014, the remuneration of the Cost Auditor of the Company has to be ratified by the shareholders of the Company.

Accordingly, the remuneration approved by the Board of Directors at the aforesaid meeting is Rs. 60,000/- plus applicable taxes; based upon the recommendations of the Audit Committee.

The Shareholders are requested to ratify the remuneration approved by the Board of Directors.

ROUTE MAP FOR VENUE OF ANNUAL GENERAL MEETING –
CHAIRMAN CHAMBER, THIRD FLOOR, IRCON INTERNATIONAL LIMITED OFFICE,
C-4, DISTRICT CENTRE, SAKET, NEW DELHI - 110017



PROMINENT LANDMARK: SAKET DISTRICT COURT (TURN FROM MEHRAULI – BADARPUR ROAD)

BOARD’S REPORT

To
The Members of the Company
Ircon PB Tollway Limited

Your Directors have pleasure in presenting their **Fifth (5th) Annual Report** on the business and operations of the Company and the Audited Financial Statements for the Financial Year ended March 31, 2019 alongwith the Auditor’s Report and Comments of the Comptroller and Auditor General of India (if any).

BUSINESS OVERVIEW: PRESENT STATE OF AFFAIRS

Your Company, was incorporated on 30th September 2014 as a Wholly-owned Subsidiary (‘WOS’) by Ircon International Limited (‘IRCON’) for executing the project of “Widening and Strengthening of the existing Bikaner & Phalodi Section to Four lane from km 4.200 to km 55.250 and Two Lane with paved shoulder from Km 55.250 to Km 163.500 of NH-15 on Build, Operate, and Transfer (BOT) (Toll) basis in the State of Rajasthan, in accordance with the terms of the concession agreement signed with NHAI” as its main business object.

The Total Project Cost (TPC) which has been approved for Bikaner-Phalodi Project Execution is for the value of ` 844 Crores, divided into:-

1. Equity Share Capital: ` 165 Crores
2. Debt Capital (Secured Loan): ` 352 Crores and
3. NHAI Gant (Cash Support): ` 327 Crores

As on 31st March 2019, the Authorized Equity Share Capital of the Company stands at ` 175 Crores and the Paid-up Equity Share Capital stands at ` 165 Crores. The Debt Capital (Long Term Borrowings) stands at the value of ` 337.85 Crores.

The Bikaner-Phalodi Project Construction works have been majorly completed & balance construction works are expected to be completed till October 2019.

Project Commissioning **(Commencement of Commercial Tolling Operations)**

The project has now entered into Operation and Maintenance (O & M) Phase viz. Commercial Tolling Operations from the date of Provisional Commercial Operations Date (‘Provisional COD’) and has started earning toll income.

The said Provisional COD has been issued on 15th February 2019 for commencement of commercial tolling operations at the three toll plazas located at Salasar and Nokhra in Bikaner District and Kheerwa, in Jodhpur District, Rajasthan and accordingly, the revenue or toll collection is in progress at the three toll plazas.

Toll Revenue

On account of Commissioning of Project, the project has started earning income from toll operations ('toll income'), from all the three toll plazas. The revenue collection is in progress from the following dates:-

| Toll/Corridor Name | Date of Toll Revenue Started |
|---------------------|------------------------------|
| 1. Salasar (TP – 1) | 20.02.2019 |
| 2. Nokhra (TP – 2) | 22.02.2019 |
| 3. Kheerwa (TP – 3) | 24.02.2019 |

FINANCIAL PERFORMANCE (IND AS FINANCIALS)

As per the Ind AS Audited Financial Statements of your Company for the financial year ended 31st March 2019:-

- Equity Share Capital remains the same for financial year ended 31st March 2019 at the value of ` 165 Crores.
- Total Borrowings (Secured Loan) of Company stand increased to the value of ` 337.85 Crores as compared to previous year figure of ` 240.85 Crores. Further, the Company has recognised long-term borrowings (Non-Current Financial Liabilities) to the extent of ` 309.70 Crores and short-term borrowings (Current Financial Liabilities) to the extent of ` 28.15 Crores (classified on account of current maturities – repayable in next financial year).

Your Company has incurred an interest expense of ` 25.22 Crores for the financial year 2018-19 vis-à-vis an interest expense of ` 16.64 Crores incurred for the financial year 2017-18 as finance/borrowing cost.

- During the financial year 2018-19, your Company has recognised turnover (Revenue from Operations) of ` 356.07 Crores, for the period ended 31st March 2019 including Construction Contract Revenue under Service Concession Arrangement (SCA), Revenue from Toll Operations and Other Operating Revenue, in terms of **Ind AS 115 “Revenue from Contract with Customers”**. **The Company has measured contract revenue at the fair value of the consideration receivable viz. Revenue from Construction Services.**
- Intangible Assets have been recognised at cost as the fair value of the service provided plus other direct costs directly attributable to the operation of the value of ` 517.99 Crores and intangible assets under development have been recognized to the extent of ` 4.88 Crores.
- Company has made a Net Loss before tax of ` 2.82 Crores and Net Loss after tax of ` 2.11 Crores for the financial year ended 31st March 2019 - due to project and other expenditure booked on account of works contract expenses incurred for the financial year ended 31st March 2019.
- During the financial year 2018-19, the Company has expended an amount of ` 0.13 Crores towards Corporate Social Responsibility (CSR) Activities by way of development of educational infrastructure in government schools located in Bikaner Constituency and by making contribution to Swachh Bharat Kosh.

**SUMMARISED FINANCIAL POSITION
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2019**

(` in Crores)

| Particulars | Standalone | |
|--|-----------------------------|-----------------------------|
| | Year ended
31 March 2019 | Year ended
31 March 2018 |
| | (Audited) | |
| Profit & Loss Position:- | | |
| Revenue from Operations | 356.07 | 277.54 |
| Other Income | 0.82 | 1.27 |
| Total Income | 356.89 | 278.81 |
| Total Expenses | 359.71 | 277.57 |
| Net profit (loss) before tax | (2.82) | 1.24 |
| Net profit (loss) after tax | (2.11) | 0.82 |
| Total Comprehensive Income | (2.11) | 0.82 |
| Equity & Debt Position:- | | |
| Equity Share Capital | 165.00 | 165.00 |
| Other Equity | 1.81 | 3.92 |
| Loan from Holding Company (Borrowings) | 337.85 | 240.85 |
| Earnings Per Share (For Continuing Operation) | | |
| (Face Value of Rs 10/- each) | | |
| (a) Basic (in Rs) | (0.13) | 0.05 |
| (b) Diluted (in Rs) | (0.13) | 0.05 |

MANAGEMENT DISCUSSION & ANALYSIS REPORT (MDAR)

The MDAR has been annexed to the Board’s Report as **ANNEXURE – I**.

DIRECTOR’S & KEY MANAGEMENT PERSONNEL

BOARD OF DIRECTORS:

Pursuant to Article 49 of the Articles of Association (AOA) of the Company, the power to appoint directors in your Company is with the holding company, Ircon International Limited.

In terms thereof, the holding company has till date, nominated five Non-executive Nominee directors as Board of Directors of IrconPBTL. The appointment of the said directors has been effected from the date of their consent to act as Directors of IrconPBTL.

The following is the details of directors of IrconPBTL:-

| Sl. No. | Directors | Date of Appointment | DIN |
|---------|--|---------------------|----------|
| 1. | Mr. Deepak Sabhlok, Part-time Chairman | 30.09.2014 | 03056457 |
| 2. | Mr. Ashok Kumar Goyal, Part-time Director | 30.09.2014 | 05308809 |
| 3. | Mr. Anand Kumar Singh, Part-time Director | 21.07.2016 | 07018776 |
| 4. | Mr. Rajendra Singh Yadav, Part-time Director | 03.03.2017 | 07752915 |
| 5. | Ms. Anupam Ban, Part-time Director | 09.06.2017 | 07797026 |

KEY MANAGEMENT PERSONNEL (KMP):

Pursuant to Sec 203 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has three designated Key Management Personnel (KMP), as follows:-

| Sl. No. | Key Management Personnel (KMP) of Company | Designation of KMP | Date of Appointment | Date of Designation as KMP | PAN No. |
|---------|---|-------------------------------|---------------------|----------------------------|------------|
| 1. | Mr. Atul Kumar | Chief Executive Officer (CEO) | 31.05.2019 | 27.02.2019 | AHQPK0210P |
| 2. | Mr. Sanjay Podder | Chief Financial Officer (CFO) | 20.02.2018 | 20.02.2018 | AFNPP1856R |
| 3. | Ms. Shudodhani | Company Secretary (CS) | 17.03.2015 | 17.03.2015 | CLPPS8601B |

DIRECTOR’S RESPONSIBILITY STATEMENT (DRS)

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

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

- that in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- that the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- that the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- that the directors had prepared the annual accounts on a going concern basis; and
- that the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

INTER-CORPORATE LOANS & INVESTMENTS (SEC 185 & SEC 186)

Loans and Investments to directors, corporates and other entities is governed by Section 185 and Section 186 of the Companies Act, 2013. The provisions demarcate conditions and % of loans and investments that could be made.

The Company has till date made no inter-corporate loans and investments and as such NIL transactions stand on date.

SHAREHOLDING PATTERN OF PROMOTERS

IrconPBTL is a wholly-owned subsidiary of Ircon International Limited ('Ircon'), and thereby its entire equity shareholding is held by its promoter company, Ircon, a Government of India Undertaking, under Ministry of Railways.

Presently, the Company is having **paid-up equity share capital of ` 165 Crores** out of the **authorized share capital of ` 175 Crores**, as previously indicated in the Capital Structure of Company, and 100% equity is held in the name of Ircon and its 9 nominee shareholders, as depicted below:-

Existing Shareholding Pattern of IrconPBTL

| Shareholder’s Name | No. of Equity Shares Held | Total Value of Equity Shares Held | % of Total Shares of the Company |
|---|---------------------------|-----------------------------------|----------------------------------|
| Ircon International Limited and its 9 Nominee Shareholders
(16,50,00,000 Equity Shares of ` 10/- per share) | 16,50,00,000 | 165,00,00,000 | 100% |
| Total | 16,50,00,000 | 165,00,00,000 | 100% |

EXTRACT OF ANNUAL RETURN – MGT - 9

The extract of Annual Return as per Section 92(3) read with Rule 12(1) Companies (Management and Administration) Rules, 2014 has been annexed as **ANNEXURE – II.**

RELATED PARTY TRANSACTIONS (RPT’S)

[Section 188 of the Companies Act, 2013 read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 - Contracts or Arrangements with Related Parties]

There were no materially significant related party transactions with the Company’s Promoter’s, Director’s, Management or their relatives, which could have had a potential conflict with the interests of the Company. Transactions with related parties that were entered into during the financial year 2018-19 were on Arm’s Length Basis and were in the ordinary course of business.

Accordingly, the ‘**Disclosure in Form No. AOC-2**’, pertaining to the transactions entered by the Company with its related parties, as per Section 134(3) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014, has been enclosed as **ANNEXURE - III.**

DIVIDEND & RESERVES

Since the Company has entered into Commercial Tolling Operations from February 2019 only, the Board of Directors have not proposed any dividend for the financial year 2018-19.

Further, the Company had retained earnings of ` 1.81 Crores as on 31st March 2019, as compared to the previous financial year 2017-18 of ` 3.92 Crores forming part of its Reserves and Surplus Balance.

DEPOSITS

The Company has not invited any deposits from its members pursuant to the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

ENVIRONMENT PROTECTION & CONSERVATION, CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS & OUTGO

During the construction of the highway in the financial year 2018-19, appropriate and adequate measures as stipulated by NHAI have been taken to ensure environment protection and conservation. Varied environmental laws relating to Environment Protection Act, Air and Water Pollution Control Acts, have been duly adhered to as part of conditions to be fulfilled by the Company as Concessionaire.

Foreign earnings and outflows are not applicable for Company being solely responsible for execution of BOT based project awarded by NHAI.

STATUTORY AUDIT & COMMENTS OF COMPTROLLER & AUDITOR GENERAL OF INDIA

The Statutory Auditors appointed for the financial year 2018-19 were M/s Praveen Aggarwal & Company, Chartered Accountants, with Firm Registration No. 000044N, having registered office at 23, Bhai Veer Singh Marg, Gole Market, New Delhi - 110001. There were nil qualifications in the Statutory Audit Report on the company’s financial statements dated 17.05.2019.

The Comptroller and Auditor General of India (CAG) has for the financial year 2018-19 conducted the Supplementary Audit of financial statements of the Company and the Comments if any shall be placed at the AGM alongwith Management Replies to the Comments thereto.

DIRECTOR’S COMMENTS FOR FINANCIAL STATEMENTS & AUDITOR’S REPORT

The Financial Statements prepared for financial year ended 31st March 2019, reflect a true and fair view of the accounts and have been prepared in accordance with the applicable accounting standards and necessary measures have been adopted to streamline the accounting processes.

Your Directors have closely evaluated the said Financial Statements alongwith the Statutory Auditors Report including nil qualifications and noted the same.

COMPLIANCES WITH SECRETARIAL STANDARDS

Secretarial Standards issued by ICSI in terms of Section 118(10) of the Companies Act, 2013 are SS-1 (Secretarial Standard on Meetings of the Board of Directors) and SS-2 (Secretarial Standard on General Meetings).

The Company has been in strict adherence to the Secretarial Standards issued by ICSI and has been regularly complying in terms of:-

1. Issuance of Notices of Board and Committee Meetings and General Meetings
2. Sending Agenda, and Notes on Agenda to Directors
3. Maintenance and Signing of Minutes
4. Circulation of Draft Minutes
5. Attendance Register

6. Passing of Resolution by Circulation &
7. Contents of Minutes

SECRETARIAL AUDIT & DIRECTOR’S COMMENTS ON SECRETARIAL AUDIT REPORT

Pursuant to the provisions of Section 204 of the Companies Act, 2013, read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, **Mr. Chaitanya Udgirkar, (holding Associate Membership No. A49740 and Certificate of Practice (COP) No. 18161), Practising Company Secretary**, had been appointed as the Secretarial Auditor of the Company for the financial year 2018-19.

The Secretarial Audit Report issued by the Secretarial Auditor for the financial year 2018-19 on compliance of applicable laws in the prescribed format MR-3 has been annexed as **ANNEXURE – IV.**

Further, Director Comments or replies to the Secretarial Audit Report, are annexed as ANNEXURE – IV’A.

INTERNAL FINANCIAL CONTROL SYSTEMS & ITS ADEQUACY

Internal Financial Controls (IFC) in relation to Financial Statements pertain to proper safeguard measures being undertaken in terms of adherence to policies and procedures being adopted, asset provisioning and recording of expenses and incomes (Financial Reporting).

Section 143 of the Companies Act, 2013 and the Companies (Auditor’s Report) Order, 2016 provides for Auditors to mention in their Auditor’s Report about the adequacy of internal financial controls existing in the Company commensurate with the size and nature of business.

Pertaining to the aforementioned matter, the Company has internal financial controls (IFC’s) in all its material aspects as required in terms of the **Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India**, as equivalently stated in the Auditors Report issued for the financial year 2018-19. Further, all essential components of internal financial control have been found to be adequate.

Also, the Board of Directors of the Company had at their 35th BoD meeting held on 29th July 2019, reviewed the Internal Financial Controls (IFC) operating over financial reporting of the Company and noted that the Company has an adequate internal financial control system over financial reporting; while considering and approving the Ind AS Financial Statements of the Company for the financial year ended 31st March 2019.

COST ACCOUNTING RECORDS & COST AUDIT REPORT

Your Company has duly commenced the process of maintaining Cost Accounting Records from the Financial Year 2018-19 and has appointed M/s Ravi Sahni & Co. as Cost Auditing Firm for the Financial Year 2018-19. Cost Audit Report for the said Financial Year has been issued by the Cost Auditing Firm.

This has been in due compliance to the provisions enumerated under Section 148 of the Companies Act, 2013 read with Companies (Cost Records and Audit) Rules, 2014 and Companies (Audit and Auditors) Rules, 2014 for turnover on account of Ind AS Applicability having been recorded in the books of account of the Company.

RISK MANAGEMENT

In pursuance of Section 134 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014, and in compliance of Para 3.6 of Chapter 3 of the DPE Corporate Governance Guidelines, 2010, ‘a statement indicating development and implementation of a risk management policy for the company including identification therein of elements of risk, if any’, is required to form part of Board’s Report.

Accordingly, since the Company is a **CONCESSIONAIRE COMPANY**, formed for execution of the Bikaner - Phalodi Project, the Risk Elements pertaining to the project have been identified as detailed below :-

Risk Elements Relative to Project

| Sr. No. | Risk Elements | Description |
|---------|---------------------------------------|--|
| 1. | Construction Period | Delay in Construction Period is a major factor to be controlled with delay in scheduled commercial date of operations (COD). Also, due to non-availability of non-encumbrance free work front, the construction work is expected to get delayed. |
| 2. | Debt Service Ratio | Company has to ensure timely debt repayments to reduce risk of default |
| 3. | Traffic – Related Revenue Risk | Revenue Potential from Commercial Traffic is high but subject to volatility in economic cycles. |

In furtherance thereof, the Company has at its 19th BoD meeting held on 3rd January 2017, accorded approval for framing a “**Risk Management Policy**” for the Company with the following notable points:-

- (i) **Risk management policy to be devised as per IRCON’s policy.**
- (ii) **Company specific factors to be given major importance.**
- (iii) **Other NHA BOT projects risk factors may be reviewed.**

DISCLOSURE ON EMPLOYEE REMUNERATION

Pursuant to Sec 197 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, none of the employees of the Company was in receipt of remuneration of more than ` 60 Lakh per annum or ` 5,00,000/- per month.

REPORT ON CORPORATE GOVERNANCE

The Report on Corporate Governance has been annexed to this Report as **ANNEXURE – V.** Further, the Certificate for Compliance with DPE Corporate Governance Guidelines, 2010 issued by M/s Arun Kumar Gupta & Associates, Practising Company Secretary, is annexed as **ANNEXURE – V’A.**

MSME PROCUREMENT COMPLIANCE (FY 2018-19)

Your Company has during the financial year 2018-19 made procurement of ` 33,000/- from MSME Vendors against the annual procurement target of ` 35,000/-, in terms of compliance to Public Procurement Policy for MSE’s; fulfilling the 20% procurement criteria of annual procurement target to be effected from MSE’s.

INTERNAL AUDITOR

In terms of Sec 138 of the Companies Act, 2013 read with Rule 13 of the Companies (Accounts) Rules, 2014, Companies having a paid-up share capital of ` 50 Crore or more during the preceding financial year, are required to appoint an Internal Auditor.

Accordingly, M/s Bansal Sinha & Co having office at 18/19, Old Rajinder Nagar, New Delhi -110060 were appointed as the Internal Auditors of the Company for the financial year 2018-19.

BANKERS TO THE COMPANY

Indian Overseas Bank (IOB) having branch office at: First Floor, Balika Bhavan, R.K. Puram Block B, Sector 13, R.K. Puram, New Delhi – 110066 is acting as the Sole Banking Partner for the Company in terms of providing services as opening of current account, escrow account and maintenance of fixed deposit (FD) in the name of the Company.

SUBSIDIARY, ASSOCIATE & JOINT VENTURE COMPANIES

The Company has as on date no subsidiaries, associate or joint venture companies.

DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION, & REDRESSAL) ACT, 2013

The Sexual harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 is applicable to every organisation having women employees. In case, the total number of employees in the organisation exceeds 10, constitution of ‘**Internal Complaints Committee**’ is required in terms of Section 4 of the said act.

In terms thereof, constitution of **Internal Complaints Committee (ICC) under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013** was discussed at the 18th BoD meeting of IrconPBTL and it was decided to undertake its constitution on articulation of specific terms of reference and the modalities and procedure for its working.

GENERAL INFORMATION FOR SHAREHOLDERS

(i) Key Policies & Regulations:-

The Company believes in following policies in line with those followed by Ircon International Limited – its Holding Company in terms of delegation of powers to Officers and authorising the personnel in their respective capacities.

The Power to Appoint Directors on the Board of the Company rests with the Holding Company – Ircon except additional, alternate or casual directors. Further, the Chairman of the Company in terms of Article 59 of the Articles of Association of the Company reserves for the decision of the Holding Company – Ircon any important issues that may be felt by Chairman to be decided by the Holding Company.

(ii) Audited ‘IND AS Financial Statements’:-

The Audited IND AS Financial Statements of the Company comprising the Balance Sheet as on 31st March 2019, the Statement of Profit and Loss for the year ended 31st March 2019, Statement of Changes in Equity, Summarised Significant Accounting Policies, notes to accounts and other explanatory information, was approved by the Board of Directors at their 33rd meeting held on 2nd May 2019 as provided in this Annual Report.

(iii) CEO and CFO Certification:-

The Chief Executive Officer (CEO) and Chief Financial Officer (CFO) have certified that the Financial Statements of the Company reflect a true and fair view of the Company’s Affairs and contains all material information. The said certificate has been attached as **ANNEXURE – VII.**

**For and on behalf of Board of Directors
of Irrcon PB Tollway Limited**

**Sd/-
Deepak Sabhlok
Chairman
DIN: 03056457**

**Date: 01.08.2019
Place: New Delhi**

MANAGEMENT DISCUSSION AND ANALYSIS REPORT (MDAR)**(i) Industry Structure and Developments**

Construction Industry over the years with respect to construction of roads and highways is spearheading towards more growth and more capital contribution being made to develop and operate such projects on BOT Basis as awarded by NHAI.

NHAI is awarding such projects enabling investors and contractors to earn stable incomes with less risk of loss or uncertainties based on area’s traffic assessment as compared to other industries where demand and supply factors alongwith availability of substitutes as service providers. Herein such projects when awarded are critically evaluated before issue of letter of acceptance to the party in terms of credibility and financial position to execute the project, making estimated earnings from such projects less susceptible from market ups and downs.

As such NHAI under its flagship programme NHDP-Phase IV has taken as the challenge to develop, expand the National Highways (NH) network in the Country. For implementation of the scheme, the work of widening and strengthening of the Bikaner-Phalodi Section (NH-15) in the State of Rajasthan for which tender was floated by NHAI in which Irrcon International Limited (IRCON – 100% Holding Company) participated, bagged the contract for execution and formulated SPV named as Irrcon PB Tollway Limited. This project based on industrial trends has growth potential and has increased propensity to make huge collections from highway consumers relative to inflation rates existing in the economy.

(ii) Strengths and Weaknesses**➤ Strengths**

Due to increased focus of government on infrastructure sector, the roads and highways network is going to expand further with more and more investments flowing into it. Good growth in road traffic is in a way impetus for priority sector development by Government of India – Make in India and Industrial Corridors adding up to the demand for better road connectivity and smooth flow of traffic. Rate of growth in Traffic on highways is expected to rise with more economic and industrial developments in the next two years. With a growing population in India, demand for road transport would increase further by 2020, implying more investments and more returns.

➤ Weaknesses

- (i) Chances of Natural disadvantage are there.
- (ii) Construction Projects relating to highways face issues with respect to efficiency in delivering timely output.
- (iii) Unexpected cost escalations due to increase in price of petroleum products and natural materials.

(iii) Opportunities and Threats**➤ Opportunities**

- (i) Continuous rising vehicles on the roads and highways shall bring stability and growth in operations and the related profitability.

- (ii) Development of Estimated Benefit –Cost Analysis Model for Highway Projects helps in quantifying expected revenues (toll income) over a long-period of time, as compared to rendering of other services.

➤ **Threats**

- (i) Delay in implementation of highway project not only increases the project costs but also affect revenues due to limited concession period and increased burden of interest payments.
- (ii) In BOT projects, cost of inputs has to be maintained at estimated levels and forecast of traffic has to be achieved with less scope for variations.
- (iii) Land encumbrance issue also results in delay in handing over of land by the authority - NHAI to the Concessionaire Company.

(iv) Outlook

National Highways Authority of India (NHAI) under its flagship project “National Highways Development Program (NHDP)” is planning to give further boost to the construction industry by way of awarding more highway projects and encouraging private partnerships and use of innovative technologies for development.

(v) Risks and Concerns

- Performance Management is a daunting task.
- Existing Risk Assessment Models for construction projects are not at par with practices followed in developed countries.

(vi) Discussion on Financial Performance w.r.t Operational Performance

The Company has now entered into Operation and Maintenance Phase, viz. Commercial Tolling Operations, and has started earning toll revenues from February 2019 – date of Provisional Commercial Operations Date (‘Provisional COD’). It is expected to achieve 100% COD in Financial Year 2019-20. Further, the revenue generated from toll operations from February 2019 till 31st March 2019 is ` 4.74 Crores.

ANNEXURE – II

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN

AS ON FINANCIAL YEAR ENDED ON 31.03.2019

Pursuant to Section 92 (3) of the Companies Act, 2013 and Rule 12(1) of the Company (Management & Administration) Rules, 2014

I. REGISTRATION & OTHER DETAILS:

| | | |
|----|---|---|
| 1. | CIN | U45400DL2014GOI272220 |
| 2. | Registration Date | 30.09.2014 |
| 3. | Name of the Company | Ircon PB Tollway Limited |
| 4. | Category/Sub-category of the Company | Government Company (Wholly-owned Subsidiary Company of Ircon International Limited) |
| 5. | Address of the Registered office & contact details | C-4, District Centre, Saket, New Delhi -110017 |
| 6. | Whether Listed or Unlisted Company | Unlisted Company |
| 7. | Name, Address & contact details of the Registrar & Transfer Agent, if any. | Not Applicable |

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY: (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

| S. No. | Name and Description of Main Products / Services | NIC Code of the Products/Services | % to Total Turnover of the Company |
|--------|--|-----------------------------------|------------------------------------|
| 1. | Rendering Services in the nature of construction of Project Highway on Bikaner-Phalodi Section (NH-15) in the State of Rajasthan:

Construction Services: Highway Project (Through EPC Contractor) | 42101 | 100% |

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

| S. NO. | NAME AND ADDRESS OF THE COMPANY | CIN/GLN | HOLDING/ SUBSIDIARY / ASSOCIATE | % of Shares held | Applicable Section |
|--------|---------------------------------|-----------------------|---------------------------------|------------------|--------------------|
| 1 | IRCON INTERNATIONAL LIMITED | U45203DL1976GOI008171 | HOLDING COMPANY | 100% * | Sec 2(46) |

* 100%: 100% Shares held by Ircon International Limited (IRCON) and its 9 Nominees.

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

A) CATEGORY-WISE SHARE HOLDING:

| Category of Shareholders | No. of Shares held at the beginning of the year [As on 01-April-2018] | | | | No. of Shares held at the end of the year [As on 31-March-2019] | | | | % Change during the year |
|--|---|------------------|------------------|-------------------|---|------------------|------------------|-------------------|--------------------------|
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| A. Promoters | | | | | | | | | |
| (1) Indian | | | | | | | | | |
| a) Individual/ HUF | - | - | - | - | - | - | - | - | - |
| b) Central Govt | - | - | - | - | - | - | - | - | - |
| c) State Govt(s) | - | - | - | - | - | - | - | - | - |
| d) Bodies Corp.# | Nil | 165000000 | 165000000 | 100% | Nil | 165000000 | 165000000 | 100% | Nil |
| e) Banks / FI | - | - | - | - | - | - | - | - | - |
| f) Any other | - | - | - | - | - | - | - | - | - |
| (2) Foreign | - | - | - | - | - | - | - | - | - |
| Total Shareholding of Promoters (A) | Nil | 165000000 | 165000000 | 100% | Nil | 165000000 | 165000000 | 100% | Nil |
| B. Public Shareholding | | | | | | | | | |
| 1. Institutions | | | | | | | | | |
| a) Mutual Funds | - | - | - | - | - | - | - | - | - |
| b) Banks / FI | - | - | - | - | - | - | - | - | - |
| c) Central Govt | - | - | - | - | - | - | - | - | - |
| d) State Govt(s) | - | - | - | - | - | - | - | - | - |
| e) Venture Capital Funds | - | - | - | - | - | - | - | - | - |
| f) Insurance Companies | - | - | - | - | - | - | - | - | - |
| g) FIIs | - | - | - | - | - | - | - | - | - |
| h) Foreign Venture Capital Funds | - | - | - | - | - | - | - | - | - |
| i) Others (specify) | - | - | - | - | - | - | - | - | - |
| Sub-total (B)(1):- | - | - | - | - | - | - | - | - | - |
| 2. Non- | | | | | | | | | |

| | | | | | | | | | |
|---|------------|------------------|------------------|-------------|------------|------------------|------------------|-------------|------------|
| Institutions | | | | | | | | | |
| a) Bodies Corp. | - | - | - | - | - | - | - | - | - |
| i) Indian | - | - | - | - | - | - | - | - | - |
| ii) Overseas | - | - | - | - | - | - | - | - | - |
| b) Individuals | - | - | - | - | - | - | - | - | - |
| i) Individual shareholders holding nominal share capital upto ` 1 lakh | - | - | - | - | - | - | - | - | - |
| ii) Individual shareholders holding nominal share capital in excess of ` 1 lakh | - | - | - | - | - | - | - | - | - |
| c) Others (specify) | - | - | - | - | - | - | - | - | - |
| Non Resident Indians | - | - | - | - | - | - | - | - | - |
| Overseas Corporate Bodies | - | - | - | - | - | - | - | - | - |
| Foreign Nationals | - | - | - | - | - | - | - | - | - |
| Clearing Members | - | - | - | - | - | - | - | - | - |
| Trusts | - | - | - | - | - | - | - | - | - |
| Foreign Bodies – D R | - | - | - | - | - | - | - | - | - |
| Sub-total (B)(2):- | - | - | - | - | - | - | - | - | - |
| Total Public Shareholding (B)=(B)(1)+ (B)(2) | - | - | - | - | - | - | - | - | - |
| C. Shares held by Custodian for GDRs & ADRs | - | - | - | - | - | - | - | - | - |
| Grand Total (A+B+C) | Nil | 165000000 | 165000000 | 100% | Nil | 165000000 | 165000000 | 100% | Nil |

Bodies Corporate: 100% Shareholding is with Body Corporate – ICon International Limited and its 9 Nominees for meeting the statutory requirement of 7 members for incorporating a Public Limited Company and for meeting the requirement of quorum for General Meetings to be minimum 5 members present. Nominee Shareholders are holding shares merely for fulfillment of the obligations arising under Companies Act, 2013 and its associated rules thereunder.

B) SHAREHOLDING OF PROMOTERS:

| SN | Shareholder’s Name | Shareholding at the beginning of the year | | | Shareholding at the end of the year | | | % Change in Shareholding during the Year |
|----|--------------------------------|---|----------------------------------|--|-------------------------------------|----------------------------------|--|--|
| | | No. of Shares | % of Total Shares of the Company | % of Shares Pledged / encumbered to total shares | No. of Shares | % of Total Shares of the company | % of Shares Pledged / encumbered to Total Shares | |
| 1 | Ircon International Limited \$ | 165000000 | 100% | Nil | 165000000 | 100% | Nil | Nil |
| | Total | 165000000 | 100% | Nil | 165000000 | 100% | Nil | Nil |

\$ Shareholding of Promoters: Company is wholly-owned subsidiary of Ircon International Limited – with 16,50,00,000 Equity Shares of ` 10/- each i.e. Entire Shareholding held by Indian Promoters.

The other 9 shareholders are Nominees of Ircon International Limited as per mandatory requirement for formation of Public Limited Company (PLC) and for meeting the requirement of quorum of 5 members at every general meeting.

C) CHANGE IN PROMOTERS’ SHAREHOLDING:

| SN | Particulars | Shareholding at the beginning of the Year* | | Cumulative Shareholding during the Year* | |
|----|---|--|----------------------------------|--|----------------------------------|
| | | No. of Shares | % of total Shares of the Company | No. of Shares | % of total Shares of the Company |
| 1. | At the Beginning of the Year | 165000000 | 100% | 165000000 | 100% |
| 2. | Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.): | NIL | | | |
| 3. | At the End of the Year | 165000000 | 100% | 165000000 | 100% |

* Year: Denotes Financial Year beginning from 1st April to 31st March.

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

| SN | For Each of the Top 10 Shareholders | Shareholding at the beginning of the year | | Cumulative Shareholding during the Year | |
|----|--|---|----------------------------------|---|----------------------------------|
| | | No. of Shares | % of total Shares of the Company | No. of Shares | % of Total Shares of the Company |
| 1. | At the Beginning of the Year | | | | |
| 2. | Date wise Increase / Decrease in Promoters | | | | |

| | | |
|----|---|-----------------------|
| | Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc): | NOT APPLICABLE |
| 3. | At the End of the Year | |

E) SHAREHOLDING OF DIRECTORS & KEY MANAGERIAL PERSONNEL:

| SN | Name of Director(s)# | Shareholding of Each Director(s) and Each Key Managerial Personnel (KMP) | Shareholding at the beginning of the Year* | | Cumulative Shareholding during the Year* | |
|----|--------------------------|---|--|----------------------------------|--|----------------------------------|
| | | | No. of Shares | % of total Shares of the Company | No. of Shares | % of total Shares of the Company |
| 1. | Mr. Deepak Sabhlok | At the Beginning of the Year | 100 | 0.00006 | 100 | 0.00006 |
| | | Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.): | NIL | | | |
| | | At the End of the Year | 100 | 0.00006 | 100 | 0.00006 |
| 2. | Mr. Ashok Kumar Goyal | At the Beginning of the Year | 100 | 0.00006 | 100 | 0.00006 |
| | | Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.): | NIL | | | |
| | | At the End of the Year | 100 | 0.00006 | 100 | 0.00006 |
| 3. | Mr. Rajendra Singh Yadav | At the Beginning of the Year | 100 | 0.00006 | 100 | 0.00006 |
| | | Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.): | NIL | | | |
| | | At the End of the Year | 100 | 0.00006 | 100 | 0.00006 |
| 4. | Ms. Anupam Ban | At the Beginning of the Year | 100 | 0.00006 | 100 | 0.00006 |
| | | Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.): | NIL | | | |
| | | At the End of the Year | 100 | 0.00006 | 100 | 0.00006 |

The Directors of the Company hold shares as Nominees of IRCON (For and on behalf of IRCON INTERNATIONAL LIMITED); nominated by the Holding Company. None of the Key Managerial Personnel (KMP) of the Company hold any equity shares.

* Year: Denotes Financial Year beginning from 1st April to 31st March.

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

(Amount in ` Crores)

| Particulars | Secured Loans excluding deposits | Unsecured Loans | Deposits | Total Indebtedness |
|--|----------------------------------|-----------------|----------|--------------------|
| Indebtedness at the beginning of the financial year | 240.85 | - | - | 240.85 |
| i) Principal Amount | | | | |

| | | | | |
|---|--------|---|---|--------|
| ii) Interest due but not paid | - | - | - | - |
| iii) Interest accrued but not due | - | - | - | - |
| Total (i+ii+iii) | 240.85 | - | - | 240.85 |
| Change in Indebtedness during the financial year | | | | |
| * Addition | 97.00 | - | - | 97.00 |
| * Reduction | - | - | - | - |
| Net Change | 97.00 | - | - | 97.00 |
| Indebtedness at the end of the financial year | | | | |
| i) Principal Amount | 337.85 | - | - | 337.85 |
| ii) Interest due but not paid | - | - | - | - |
| iii) Interest accrued but not due | - | - | - | - |
| Total (i+ii+iii) | 337.85 | - | - | 337.85 |

V. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

A. REMUNERATION TO MANAGING DIRECTOR, WHOLE-TIME DIRECTORS AND/OR MANAGER:

| SN. | Particulars of Remuneration @ | Name of MD/WTD/ Manager | | | | Total Amount |
|-----|---|-------------------------|------|------|-----|--------------|
| | | ----- | ---- | ---- | --- | |
| 1. | Gross salary | | | | | |
| | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | - | - | - | - | - |
| | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 | - | - | - | - | - |
| | (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961 | - | - | - | - | - |
| 2. | Stock Option | - | - | - | - | - |
| 3. | Sweat Equity | - | - | - | - | - |
| 4. | Commission
- as % of profit
- others, specify... | - | - | - | - | - |
| 5. | Others, please specify | - | - | - | - | - |
| | Total (A) \$ | NIL | | | | |
| | Ceiling as per the Act | NOT APPLICABLE | | | | |

B. REMUNERATION TO OTHER DIRECTORS:

| SN. | Particulars of Remuneration @ | Name of Directors | | | | Total Amount |
|-----|--|-----------------------|------|------|-----|--------------|
| | | ----- | ---- | ---- | --- | |
| 1 | Independent Directors | | | | | |
| | Fee for attending board committee meetings | | | | | |
| | Commission | | | | | |
| | Others, please specify | | | | | |
| | Total (1) | NOT APPLICABLE | | | | |
| 2 | Other Non-Executive Directors | | | | | |
| | Fee for attending board committee meetings | | | | | |
| | Commission | | | | | |

| | | | | | |
|---------------------------------------|-----------------------|--|--|--|--|
| Others, please specify | | | | | |
| Total (2) | | | | | |
| Total (B)=(1+2) \$ | NOT APPLICABLE | | | | |
| Total Managerial Remuneration | NIL | | | | |
| Overall Ceiling as per the Act | NOT APPLICABLE | | | | |

\$ Executive and Non-Executive Directors: As on the closure of financial year 2018-19, the Company has five Non-Executive (Nominee) Directors on its Board, drawing Nil Remuneration in terms of Sitting Fees or Commission.

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

(Amount in `)

| SN | Particulars of Remuneration | Key Managerial Personnel | | | |
|----|---|--------------------------|-----------------|------------------|------------------|
| | | CEO # | CS | CFO | Total |
| 1 | Gross Salary | | | | |
| | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | 31,08,916 | 4,82,419 | 24,89,232 | 60,80,567 |
| | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 | 2,655 | - | - | 2,655 |
| | (c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961 | - | - | - | - |
| 2 | Stock Option | - | - | - | - |
| 3 | Sweat Equity | - | - | - | - |
| 4 | Commission | | | | |
| | - as % of profit | - | - | - | - |
| | others, specify... | - | - | - | - |
| 5 | Others, please specify | - | - | - | - |
| | Total | 31,11,571 | 4,82,419 | 24,89,232 | 60,83,222 |

VI. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

| Type | Section of the Companies Act | Brief Description | Details of Penalty / Punishment/ Compounding fees imposed | Authority [RD / NCLT/ COURT] | Appeal made, if any (give Details) |
|-------------------------------------|------------------------------|-------------------|---|------------------------------|------------------------------------|
| A. COMPANY | | | | | |
| Penalty | | | NIL* | | |
| Punishment | | | | | |
| Compounding | | | | | |
| B. DIRECTORS | | | | | |
| Penalty | | | NIL* | | |
| Punishment | | | | | |
| Compounding | | | | | |
| C. OTHER OFFICERS IN DEFAULT | | | | | |
| Penalty | | | NIL* | | |
| Punishment | | | | | |
| Compounding | | | | | |

* NIL Penalties have been levied on Company or its Directors or Other Officers and no punishments have been awarded as such. In relation thereto, nil applications have been filed by any of the Company Representatives for Compounding of Offences under the Companies Act, 2013 or other applicable laws and regulations.

FORM NO. AOC-2

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

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

For the Financial Year 2018-19

I) Details of Contracts or Arrangements or Transactions Not At Arm’s Length Basis:

There were no contracts or arrangements or transactions entered into during the financial year ended 31st March 2019, which are not on arm’s length basis.

II) Details of Contracts or Arrangements or Transactions At Arm’s Length Basis:

Name(s) of the Related Party and Nature of Relationship: IRCON INTERNATIONAL LIMITED

HOLDING COMPANY

| Sr. No. | Nature of contracts or arrangements or transactions | Duration of the contracts or arrangements or transactions | Salient terms of the Contracts or Arrangements or Transactions including the value, if any | Date(s) of approval by the Board, if any: | Amount paid as advances, if any: |
|---------|--|--|--|---|----------------------------------|
| 1. | EPC Agreement
(For Appointing Ircon International Limited as EPC Contractor for execution of project works of construction of four or two lane project highway as per scope of work awarded including development of project facilities) | Date of Execution of EPC Agreement: January 19, 2015

Estimated Duration: 30 Months
(Period for Construction by EPC Contractor)

Ongoing Transaction | The Contract has been executed for a value of ` 646 Crores for execution of development of project highway.

Works expenses paid to IRCON for the same during FY: 15-16 amounts to ` 53.44 Crores. | January 5, 2015 & April 29, 2015 | NIL (As on Date) |

FORM NO. AOC-2

| Sr. No. | Nature of contracts or arrangements or transactions | Duration of the contracts or arrangements or transactions | Salient terms of the Contracts or Arrangements or Transactions including the value, if any | Date(s) of approval by the Board, if any: | Amount paid as advances, if any: |
|---------|--|---|--|---|----------------------------------|
| 2. | <p>Amendments to the EPC Agreement (Forming Part of Original EPC Agreement)</p> <p>Addendum No. 1, Addendum No. 2, Addendum No. 3 and Addendum No. 4 to the EPC Agreement</p> | Not Applicable | Addendums to EPC Agreement have been executed for incorporation of revised payment schedule retaining the original total cost of the project of the value of ` 646 Crores. | <p>Addendum No.1: 12th March 2015</p> <p>Addendum No. 2: 23rd March 2016</p> <p>Addendum No. 3: 22nd July 2016</p> <p>Addendum No. 4: 13th June 2017.</p> | NIL (As on Date) |
| 3. | <p>Supplementary Agreement to EPC Agreement</p> | Not Applicable | EPC Contract Cost has been revised from ` 646 Crores to ` 767.48 Crores for meeting the EPC Contractual Payment Obligations. | 25 th March 2019 | NIL (As on Date) |
| 4. | <p>Lease Agreement
(Rent for Use of Office Premises)</p> | Two Years (2018 to 2020) | IrconPBTL has signed a Lease Agreement with IRCON on 22.06.2019 for a period of 2 years with effect from 01.04.2018 @ ` 19,305/- p.m., excluding service tax. | - | NIL (As on Date) |

CHAITANYA UDGIRKAR & ASSOCIATES
PRACTISING COMPANY SECRETARY

A-404, HELICONIA 1 - ABC, NEAR
COCOON HOTEL, MAGARPATTA
CITY, PUNE - 411028
CONTACT: 7276315835
EMAIL: chaitanya.u@legasis.co.in

Form No. MR - 3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31stMARCH 2019

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

To
The Members,
Ircon PB Tollway Limited
C-4, District Centre, Saket, South Delhi,
New Delhi - 110017

I have conducted the secretarial audit of the compliances of applicable statutory provisions and the adherence to good corporate practices by Ircon PB Tollway Limited(hereinafter called the "Company"). The Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year from 1stApril, 2018 to 31stMarch, 2019 ("Audit Period") complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31stMarch, 2019 according to the provisions of:

- i. The Companies Act, 2013 (the "Act") and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings including issuance of American Depository Receipts (ADRs);

- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):- ***Not applicable to the Company during the Audit period, since the Company is an unlisted public company.***
- a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (w.e.f.15th May, 2015);
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and amendments from time to time;
 - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999/ Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations 1993 regarding Companies Act and dealing with the Company.
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; and
 - i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

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

- i. Secretarial Standards issued by The Institute of Company Secretaries of India (ICSI)

I have relied on the representation made by the Company and its officers for the systems and mechanisms formed by the Company for compliances under applicable Acts, Rules, Laws and Regulations to the Company. The list of major head or groups of Acts, Rules, Laws and Regulations as applicable to the Company is given in **Annexure B**.

I have not examined compliance by the Company with applicable financial laws, like direct and indirect tax laws and their regulatory compliances, since the same have been subject to review by statutory financial audit and other designated professionals.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observation:

- i. *The Company, being, a wholly-owned subsidiary of Ircorp International Limited, is not required to appoint Independent Directors on its Board and constitute Audit Committee and*

Nomination and Remuneration Committee in terms of the provisions enumerated in the Companies Act, 2013. However, under the provisions of DPE Corporate Governance Guidelines, 2010, constitution of Audit Committee and Remuneration Committee, is mandatory for all CPSE's. In terms thereby, the Audit Committee and Remuneration Committee of the Board is not duly constituted.

Apart from the aforementioned observation, I would also like to draw the attention to the following:

The Company has not yet constituted an Internal Complaints Committee under 'The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013'.

I further report that:

- i. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- ii. All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.
- iii. The Board of Directors have been appointed in the Company on nomination by the holding company, ICon International Limited, with only non-executive directors on its Board.

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

Sd/-
CS Chaitanya Udgirkar
Practising Company Secretary
ACS: 49740
COP: 18161

Date: July 29, 2019

Place: Pune, Maharashtra

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

Annexure A

To
The Members,
Irrcon PB Tollway Limited
C-4, District Centre, Saket, South Delhi,
New Delhi - 110017

My secretarial audit report of even date is to be read along with this letter.

- i. Maintenance of secretarial and other records is the responsibility of the management of the Company. My responsibility is to express an opinion on these records based on my audit.
- ii. I have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial and other records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed, provide a reasonable basis for my opinion.
- iii. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
- iv. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of certain events during the Audit Period.
- v. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis and expressing an opinion on the same.

Sd/-
CS Chaitanya Udgirkar
Practising Company Secretary
ACS: 49740
COP: 18161

Date: July 29, 2019
Place: Pune, Maharashtra

Annexure B

1. DPE guidelines on Corporate Governance for Central Public Sector Enterprises issued by the Department of Public Enterprises, Ministry of Heavy Industries and Public Enterprises, Government of India.
2. The Building And Other Construction Workers (Regulation Of Employment And Conditions Of Service) Act, 1996
3. Building and Other Construction Workers Welfare Cess Act 1996
4. Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013
5. The Delhi Shops and Establishments Act, 1954
6. Environment Protection Act, 1986
7. Water (Prevention & Control of Pollution) Act, 1974
8. Forest (Conservation) Act, 1980
9. Air (Prevention & Control of Pollution) Act, 1981
10. Employees Provident Fund & Miscellaneous Provisions Act, 1952
11. Employees State Insurance Act, 1948
12. Contract Labour (Regulation & Abolition) Act, 1970 & Contract Labour (Regulation & Abolition) Central Rules, 1971
13. Workmen's Compensation Act, 1923
14. Minimum Wages Act, 1948
15. Child Labour (Prohibition and Regulation) Act, 1986
16. The Legal Metrology Act, 2009 and the rules made thereunder.
17. The Patents Act, 1970
18. The Trade Marks Act, 1999
19. The Design Act, 2000
20. Consumer Protection Act, 1986
21. Competition Act, 2002

**DIRECTOR’S COMMENTS OR MANAGEMENT REPLIES TO SECRETARIAL
AUDIT REPORT (FY 2018-19)**

| <u>Secretarial Auditor Observation</u> | <u>Management Reply</u> |
|--|---|
| <p>i. The Company, being, a wholly-owned subsidiary of Ircon International Limited, is not required to appoint Independent Directors on its Board and constitute Audit Committee and Nomination and Remuneration Committee in terms of the provisions enumerated in the Companies Act, 2013. However, under the provisions of DPE Corporate Governance Guidelines, 2010, constitution of Audit Committee and Remuneration Committee, is mandatory for all CPSE’s. In terms thereby, the Audit Committee and Remuneration Committee of the Board is not duly constituted.</p> | <p>Power of Appointment of Directors in IrconPBTL, a wholly-owned subsidiary of Ircon International Limited (‘Ircon’), lies with the holding company, Ircon International Limited, in terms of Articles of Association (AOA) of the Company.</p> <p>In terms thereby, Audit Committee and Nomination and Remuneration Committee, have been constituted comprising of non-executive directors of the Company only.</p> |
| <u>Other Points</u> | <u>Management Reply</u> |
| <p>The Company has not yet constituted an Internal Complaints Committee under ‘The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013’.</p> | <p>Constitution of Internal Complaints Committee has been discussed previously by the Board of IrconPBTL and shall be done post formulation of specific terms of reference for its operation, in consultation with the holding company, Ircon International Limited.</p> |

**For and on behalf of Board of Directors
of Ircon PB Tollway Limited**

**Sd/-
Shudodhani
Company Secretary
ACS No.: 36883**

Date: 29th July 2019

Place: New Delhi

REPORT ON CORPORATE GOVERNANCE

COMPANY PHILOSOPHY AND GOVERNANCE

IrconPBTL, a wholly-owned subsidiary of IRCON, has since its inception focused on adhering to the principals of integrity, accountability, adequate disclosures and compliances, transparency in corporate decision-making and actions. Procedures and systems have been adopted and been put in place, to ensure timely reporting to varied statutory authorities and streamlining of corporate processes. Functional based roles have been assigned amongst the personnel for managing the corporate work and governance mechanisms in line with the Holding Company, IRCON, have been internalised by the Company.

Good Governance is practised by having effective control over the affairs of the company in the interest of the Company shareholders and other stakeholders.

BOARD OF DIRECTORS

(a) Composition of Board of Directors

Pursuant to Article 49 of the Articles of Association (AOA) of the Company, the power to appoint directors is with the holding company, Ircon International Limited ('Ircon'). Accordingly, the holding company, has appointed five Non-executive directors ('Part-time Directors') on the Board of IrconPBTL through nomination as mentioned below:-

| Sl. No. | Directors | Whole-time/ Part-time/ Independent | Date of Appointment | DIN |
|----------------|--------------------------|---|----------------------------|------------|
| 1. | Mr. Deepak Sabhlok | Part-time Chairman | 30.09.2014 | 03056457 |
| 2. | Mr. Ashok Kumar Goyal | Part-time Director | 30.09.2014 | 05308809 |
| 3. | Mr. Anand Kumar Singh | Part-time Director | 21.07.2016 | 07018776 |
| 4. | Mr. Rajendra Singh Yadav | Part-time Director | 03.03.2017 | 07752915 |
| 5. | Ms. Anupam Ban | Part-time Director | 09.06.2017 | 07797026 |

(b) Meetings and Attendance of Board of Directors

Six Board Meetings have been held during the financial year 2018-19 in line with the provisions stated in the Companies Act, 2013 and the Companies (Meetings of Board and its Powers) Rules, 2014 read with Guidelines on Corporate Governance issued by the Department of Public Enterprises. Since the time gap allowed between two consecutive meetings is 90 days, the number of meetings held during the year are in accordance thereby.

Proper notices were issued alongwith agenda papers being circulated on time. Detailed explanations were offered at the Board and Shareholder Meetings for the perusal of the Directors and Shareholders with structured proposals being presented to address specific issues.

NUMBER OF MEETINGS OF THE BOARD AND BOARD COMMITTEES & THE ATTENDANCE OF DIRECTORS & COMMITTEE MEMBERS IN RESPECTIVE MEETINGS THEREOF

(i) Details of Board Meetings Convened During the FY 2018- 2019

SCHEDULE OF BOARD MEETINGS HELD DURING – FY 2018-19

(In compliance of provisions enumerated under Co’s Act, 2013 & DPE Corporate Governance Guidelines, 2010)

| Sr. No. | No. of Board Meeting | Date of Board Meeting | Time Gap w.r.t. Previous Meeting (No. of Days) | No. of Directors Present | No. of Directors Absent |
|---------|----------------------|-----------------------|--|--------------------------|-------------------------|
| 1. | 26 th | May 11, 2018 | - | 5 | Nil |
| 2. | 27 th | July 18, 2018 | 37 | 5 | Nil |
| 3. | 28 th | September 19, 2018 | 62 | 3 | 2 |
| 4. | 29 th | November 20, 2018 | 61 | 5 | Nil |
| 5. | 30 th | February 18, 2019 | 89 | 4 | 1 |
| 6. | 31 st | March 25, 2019 | 34 | 5 | Nil |

(ii) Number of Meetings of Different Committees (Constituted During the Year) and the Attendance Record

SCHEDULE OF BOARD COMMITTEE MEETINGS HELD DURING – FY 2018-19

| Sr. No. | Board Committee | No. of Meeting(s) | Date of Committee Meeting | No. of Members Present |
|---------|----------------------------------|-------------------|---------------------------|------------------------|
| 1. | Audit Committee | 8 th | May 11, 2018 | 3 |
| | | 9 th | July 18, 2018 | 3 |
| | | 10 th | November 09, 2018 | 2 |
| | | 11 ^h | February 18, 2019 | 2 |
| | | 12 th | March 22, 2019 | 2 |
| 2. | CSR and Sustainability Committee | 3 nd | February 18, 2019 | 2 |

(iii) Details of Attendance of Directors and the Directorship or Membership in Boards or Committees thereof
Board of Directors Representation at Meetings: FY 2018-2019

| Name and Designation | Number of Meetings of the Board | Number of Board Meetings Attended | Number of Meetings of Committees of the Board (During Directors Tenure) | | | Number of Committee Meetings Attended | | |
|---------------------------------|---------------------------------|-----------------------------------|---|---------------------------|----------------------|---------------------------------------|---------------------------|----------------------|
| | | | Audit | Nomination & Remuneration | CSR & Sustainability | Audit | Nomination & Remuneration | CSR & Sustainability |
| Mr. Deepak Sabhlok, Chairman | 6 | 6 | NA | NA | NA | NA | NA | NA |
| Mr. Ashok Kumar Goyal, Director | 6 | 5 | 5 | Nil | NA | 5 | NA | NA |
| Mr. Anand Kumar Singh, Director | 6 | 6 | 5 | Nil | 1 | 5 | NA | 1 |
| Mr. R. S. Yadav, Director | 6 | 4 | 5 | Nil | 1 | 2 | NA | Nil |
| Ms. Anupam Ban, Director | 6 | 6 | NA | NA | 1 | NA | NA | 1 |

The Directors of the Company have attended the Board Meetings in a regular manner offering productivity and valuable insights for the organizational functions.

GENERAL MEETINGS

The meetings of shareholders held during the year 2018-19 pertain to only one AGM held on 27.09.2018 and one EGM held during the financial year 2014-15, as tabulated below:-

General Meetings

| Sr. No. | Type of Shareholder Meeting | Date of Meeting | For Transacting | |
|---------|---|--------------------|-------------------|---|
| | | | Ordinary Business | Special Business |
| 1. | First Extraordinary General Meeting (EGM) | February 3, 2015 | NA | Borrowing Powers of Company in excess of paid-up Share Capital and Free Reserves u/s 180(1)(c) of Companies Act, 2013 |
| 2. | Fourth Annual General Meeting (AGM) | September 27, 2018 | Yes | NA |

NA denotes: Not Applicable

CONSTITUTION OF COMMITTEES OF THE BOARD

I. AUDIT COMMITTEE & NOMINATION & REMUNERATION COMMITTEE

The paid-up share capital of the Company as on 31st March 2015 was ` 5 Crores and increased to ` 90 Crores during the financial year 2015-16, on account of rights issue of ` 85 Crores made to the Holding Company, Irecon. On account of paid-up share capital crossing the threshold limit of ` 10 Crores during the previous financial year 2015-16, the requirement of constitution of statutory committees under the Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Rules, 2014 was notified at the 7th and 9th BoD Meetings held on 29th April 2015 and 26th August 2015 respectively.

Further, in pursuance to Sec 177 and Sec 178 of the Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Rules, 2014, the audit committee and nomination and remuneration committee of the Board were constituted and in due compliance of terms of the Corporate Governance Guidelines issued by the Department of Public Enterprises (DPE), 2010.

Approval for Constitution of Audit Committee and Nomination and Remuneration Committee was accorded at the 18th BoD meeting of IreconPBTl.

A. Audit Committee (AC)

Composition:-

- | | |
|---|---------------|
| (i) Mr. A. K. Singh, Executive Director/Finance, Irecon
Nominee Director | - As Chairman |
| (ii) Mr. A. K. Goyal, Executive Director/Projects, Irecon
Nominee Director | - As Member |
| (iii) Mr. R. S. Yadav, Project Director/Vadodara, Irecon
Nominee Director | - As Member |

Terms of Reference:-

- (i) **the recommendation** for remuneration of Statutory Auditors of the company;
- (ii) **Review or examination** of the Quarterly and Annual Financial Statements and Auditors' Report thereon before submission to the Board for approval;
- (iii) **Review** of follow-up action on the audit observations of the C&AG Audit
- (iv) **approval** of payment to statutory auditors for any other services rendered by them;
- (v) **approval** or any subsequent modification of transactions of the company with related parties;
- (vi) **scrutiny** of inter-corporate loans and investments;
- (vii) **valuation** of undertakings or assets of the company, wherever it is necessary;
- (viii) **evaluation** of internal financial controls and risk management systems and review of internal audit reports;
- (ix) **reviewing** the performance of internal auditors and adequacy of internal control systems; and
- (x) **monitoring** the end use of funds raised through public offers and related matters.

B. Nomination and Remuneration Committee (NRC)

Composition:-

- | | |
|---|---------------|
| (i) Mr. A. K. Goyal, Executive Director/Projects, Irecon
Nominee Director | - As Chairman |
| (ii) Mr. A. K. Singh, Executive Director /Finance, Irecon
Nominee Director | - As Member |
| (iii) Mr. R. S. Yadav, Project Director/Vadodara, Irecon
Nominee Director | - As Member |

Terms of Reference:-

The Nomination and Remuneration Committee shall-

- Review the policies for selection of persons in Senior Management (one level below the Director) and other employees as per DPE and other Government Guidelines, and recommend the same for approval to the Board;
- Recommend to the Board a policy, relating to the remuneration for the key managerial personnel and other employees; and
- Any other work as may be included by Companies Act or DPE Guidelines from time to time.

II. **CSR & SUSTAINABILITY (CSR-SY) COMMITTEE & ANNUAL REPORT ON CSR**

Pursuant to Sec 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility) Rules, 2014, the constitution of CSR Committee is required on having a Net Profit of ` 5 Crores or a Net Worth of ` 500 Crore or a turnover of ` 1,000 Crore, during the previous financial year.

Further, as per provisions of Section 135 of the Companies Act, 2013, the Company has to provide at least 2% of average net profits of the preceding three financial years towards Corporate Social Responsibility ("CSR").

The Company had incurred losses for the financial year ended 31st March 2015 on account of reimbursement of pre-incorporation expenses and incurrance of administrative expenses, amounting to ` 1,47,69,915/- (Net Loss before tax). For the financial year ended 31st March 2016, the Company has made Net Profit before tax amounting to ` 5,60,73,518/- as per the audited financial figures. This mandates the constitution of CSR Committee for net profit before tax, exceeding the threshold limit of 5 Crores.

Accordingly, the constitution of CSR Committee was required on meeting the ‘threshold limits’ of having a Net Profit (before tax) of ` 5 Crores and was duly constituted in pursuance of Companies Act, 2013 and in compliance of ‘DPE Guidelines on Corporate Social Responsibility and Sustainability for Central Public Sector Enterprises’; as per the Schedule VII of the Companies Act, 2013.

The ‘**CSR and Sustainability Committee**’ of the Board was thereby constituted on approval accorded at the 19th BoD meeting of Company held on **8th February 2017**.

CSR PROVISIONING

For F.Y. 2016-17: Company has made Provision of ` 4.13 lakhs for CSR expenditure. Company was under construction phase and had not yet started its commercial operations hence company had not expended any sum towards CSR and had carried forward the amount to the next financial year.

For F.Y. 2017-18: Company has made Provision of ` 3.36 lakhs for CSR expenditure. Company was of the view that being under construction, and requiring earmarking funds to dedicated CSR Projects/Programs, the CSR Expenditure of ` 3.36 lakhs be carried forward to next FY 2018-19.

Cumulative CSR Expenditure: ` 4.13 Lakhs & ` 3.36 Lakhs, cumulative of the value of ` 7.49 Lakhs, has been carried forward to FY 2018-19.

CSR & SUSTAINABILITY EXPENDITURE (FY 2018-19)

The Provision for CSR and Sustainability (CSR-SY) Expenditure had been created for the previous financial years 2016-17 and 2017-18, totalling to ` 7,49,573/- and the said cumulative balance had been carried forward to the Financial Year 2018-19; considering the fact that the Company had not yet commenced its commercial operations.

Based upon the recommendations of the CSR and Sustainability (CSR-SY) Committee, the Board of Directors of the Company had accorded approval for CSR and Sustainability Expenditure for the Financial Year 2018-19 of the amount of ` 12,76,712/- (Rupees Twelve Lakh Seventy Six Thousand Seven Hundred Twelve Only).

The Company has accordingly during the Financial Year 2018-19 expended the entire amount of ` 12,76,712/- as detailed below:-

| | |
|--|-----------------------------|
| - Towards CSR at Government Schools, Bikaner: | ` 11,84,045 |
| - Towards Contribution to Swachh Bharat Kosh : | ` <u>92,667</u> |
| Total CSR Amount Expended = | <u>` 12,76,712/-</u> |

The aforesaid amount of ` 12,76,712/- includes the previous year’s cumulative balance of ` 7,49,573/- and the amount has been expended towards development of educational infrastructure in Government Schools located in Bikaner Constituency and towards contribution to Swachh Bharat Kosh.

The Annual Report on CSR and Sustainability Activities for the financial year 2018-19 is annexed herewith as **ANNEXURE – VI**.

DISCLOSURES AND STATUTORY COMPLIANCES

Adequate Disclosures pertaining to director’s interest, related party transactions, maintenance of statutory registers have been taken and placed periodically before the Board of Directors to take informed decisions, with the Board following a clear policy of specific delegation and authorisation of designated officers to handle the business matters. MCA Filings with respect to disclosures, intimations, allotments and appointments have been made in a time bound manner with no pending matters.

CERTIFICATE FOR COMPLIANCE WITH CORPORATE GOVERNANCE GUIDELINES

DPE Guidelines, 2010 prescribes a certificate to be obtained from the Statutory Auditors or the Practising Company Secretary for corporate governance guidelines followed by the Company (Chapter 8: Report, Compliance and Schedule of Implementation – Clause 8.2: Compliance).

The said certificate was obtained from the Practising Company Secretaries (PCS), Arun Kumar Gupta and Associates, Company Secretaries, having office at 1005, Roots Tower, Plot No. 7, District Centre, Laxmi Nagar, Delhi – 110092, for the Financial Year 2018-19, and is attached herewith as **ANNEXURE – V’A.**

CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE
GOVERNANCE UNDER CORPORATE GOVERNANCE GUIDELINES OF DEPARTMENT
OF PUBLIC ENTERPRISES (DPE), 2010

To
The Members of
Ircon PB Tollway Limited
C-4, District Centre, Saket,
New Delhi – 110017

In respect of the compliance of the conditions of Corporate Governance for the year ended 31st March, 2019, by Ircon PB Tollway Limited, a Government Company under section 2(45) of the Companies Act, 2013 (corresponding sections 2(18) and 617 of the Companies Act, 1956), as required by the Guidelines on Corporate Governance issued by the Department of Public Enterprises (DPE).

We have studied the Report on Corporate Governance of the said Company as approved by its Board of Directors. We have also examined the relevant records and documents maintained by the Company and furnished to us for our review in this regard.

The Compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to review of procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statement of the Company.

We state there has been no investor grievance during the year against the Company as per the records maintained by the Company.

We further comment that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

In our opinion and to the best of our information and on the basis of our review and according to the information and explanation given to us, we certify that the Company has complied with the mandatory requirements of Corporate Governance in all material respects as required by the Guidelines on Corporate Governance issued by the Department of Public Enterprises (DPE), except:

Non-appointment of Independent Directors on its Board and Constitution of Audit Committee and Nomination & Remuneration Committee without Independent Directors, under the provisions of DPE Corporate Governance Guidelines, 2010. However, it is exempt under the provisions of Companies Act, 2013 and also it is understood that the appointment of Directors is being done by the Holding Company i.e. Ircon International Limited (in pursuance with the Articles of Association of the Company).

It is further stated that the aforesaid opinion is based upon the submissions made by the Company with supporting documents and correspondence files and the secretarial and other statutory records maintained by the Company.

**For ARUN KUMAR GUPTA & ASSOCIATES
COMPANY SECRETARIES**

**Sd/-
(Arun Kumar Gupta)
FCS - 5551
CP No- 5086**

Place: New Delhi
Date: July 29, 2019

**ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR)
& SUSTAINABILITY ACTIVITIES****(A) DISCLOSURE ON CSR POLICY****(In terms of Companies (Corporate Social Responsibility) Rules, 2014)**

The Company has devised the CSR and Sustainability Policy for undertaking CSR Activities/Programs in terms of Section 135 of the Companies Act 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014. Brief outline of the policy is:-

(i) Planning/Selection of CSR Projects

- By strategically aligning the Company goals and objectives with CSR targets to ensure optimal utilization of resources.
- In selection of activities the focus is on the social, economic and environmental impact thereof, rather than mere output or outcomes. While selecting projects, priority is accorded to the stakeholders directly impacted by the Company’s operations & activities located in the periphery of the project areas.

(ii) CSR Budget & Expenditure

- CSR Budget is to be fixed for each financial year with the approval of the BoD. The CSR spending has to be at least 2% of the average net profits of the company made during the immediately preceding three financial years. CSR Expenditure to also include contribution to corpus, for projects or programs relating to CSR activities approved by the BoD on recommendation of CSR-SY Committee.
- In case of failure to spend the allocated budget amount for CSR of any particular Financial Year, the reasons for not spending the amount shall be specified in the Board’s Report. *However, such unutilized amount would not lapse and shall be carried forward to next year to utilize for the purpose for what it was allocated.*

(iii) Proposals of CSR Activities

CSR activities are put up to CSR-SY Committee for approval as per the proposals received and approved by the Chief Executive Officer (CEO) of the Company. CSR activities to be undertaken are identified and given preference on the basis of following parameters viz. speedy implementation, involving direct remittance or transfer of funds and which could be easily monitored by the Company.

(iv) CSR Reporting & Disclosure

Board’s Report for each financial year to disclose the CSR & Sustainability Expenditure incurred for the particular financial year and reasons, for non-spending including composition of CSR & Sustainability Committee, and the areas where CSR Expenditure has been undertaken.

(B) COMPOSITION OF CSR & SUSTAINABILITY (CSR-SY) COMMITTEE

The CSR & Sustainability (CSR-SY) of the Board comprises of following members, as on date:-

- Ms. Anupam Ban, Chairman of the Committee & Director/IrconPBTl
- Mr. Anand Kumar Singh, Member of the Committee & Director/IrconPBTl
- Mr. Rajendra Singh Yadav, Member of the Committee & Director/IrconPBTl

The CSR and Sustainability (CSR-SY) Committee Meetings held during the previous financial years are:-

1. First (1st) Meeting: 8th Feb, 2017
2. Second (2nd) Meeting: 20th Feb, 2018
3. Third (3rd) Meeting: 18th Feb, 2019

(C) AVERAGE NET PROFIT OF THE COMPANY FOR LAST THREE FINANCIAL YEARS**CSR EXPENDITURE COMPUTATION FOR FINANCIAL YEAR 2018-19**

| PARTICULARS | AMOUNT IN ` |
|--|--------------------|
| Profit/Loss Before Tax (From 01.04.2015 to 31.03.2016) | 5,69,70,306 |
| Profit/Loss Before Tax (From 01.04.2016 to 31.03.2017) | 82,70,608 |
| Profit/Loss Before Tax (From 01.04.2017 to 31.03.2018) | 1,24,94,271 |
| Total Profit Before Tax | 7,77,35,185 |
| Average Profit Before Tax (6,50,70,914/3) | 2,59,11,728.33 |
| Amount payable on account of CORPORATE SOCIAL RESPONSIBILITY @2% of Average Profit Before Tax of Three Financial Year (2,59,11,728.33*2%) | 5,18,234.56 |
| Rounded-off | 5,18,235 |

**(D) PRESCRIBED CSR EXPENDITURE
(TWO PER CENT OF THE AMOUNT AS IN SI. NO. C ABOVE)**

2% of Average Profit before Tax is ` 5.18 Lakhs.

(E) CSR & SUSTAINABILITY EXPENDITURE FOR FINANCIAL YEAR 2018-19

CSR & Sustainability Expenditure for the financial year 2018-19 has been undertaken at Project Office (Bikaner-Phalodi Highway Project, Rajasthan) towards Development of Educational Infrastructure in Government Schools located at Diyatra, Shriramsar and Sujandesar in Bikaner Constituency by

expending the amount of ` 11.84 Lakhs towards procurement of Computers with printers and UPS and 4 Door Book Case and Office Almira – as supplied in the Government Schools.

Further, an amount of ` 92,712/- has been expended towards contribution to Swachh Bharat Kosh (Government Sponsored Programme) for ensuring that the entire amount of CSR Allocable Amount as computed in terms of Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility) Rules, 2014, is expended in the Financial Year 2018-19 and duly accounted for in the books of account of the Company as CSR and Sustainability Expenditure.

Bifurcated Details of CSR and Sustainability Expenditure:-

- (A) CSR and Sustainability (CSR-SY) Expenditure towards development of Educational Infrastructure in Government Schools located in Bikaner Constituency through providing Computers, Printers, Mirror Almira with Book Shelf – ` 11,84,015/-
- (B) Contribution to Swachh Bharat Kosh – ` 96,712/-

Accordingly, the entire earmarked amount of ` 12.76 Lakhs, including CSR Provision of ` 7.49 Lakhs created for previous financial years 2016-17 and 2017-18 (carried forward), and CSR Allocated Amount of ` 5.27 Lakhs for FY 2018-19 has been expended in FY 2018-19.

Thereby, the following particulars are highlighted:-

- (a) Total amount to be spent for the financial year: ` 12.76 Lakhs
- (b) Amount unspent, if any; NIL
- (c) Reasons for not spending two per cent of the average net profit of the last three financial years or any part thereof: NA

(F) CSR PROJECT

(` in lakhs)

| SI No. | CSR Projects identified | Sector | State and district Project coverage | Project wise outlay | Amt spent | Cumulative Exp | Direct Or through agency |
|--------|--|-----------|-------------------------------------|---------------------|-----------------|-----------------|--------------------------|
| 1 | Development of Educational Infrastructure in Government Schools located at Project Office, Bikaner Constituency, Rajasthan | Education | Bikaner District, Rajasthan | Rs. 12.76 Lakhs | Rs. 12.76 Lakhs | Rs. 12.76 Lakhs | Direct Expenditure |

(G) GLIMPSES OF CSR AT BIKANER-PHALODI PROJECT SITE



**CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER
CERTIFICATION**

We have reviewed the Ind AS Financial Statements including the Balance Sheet as at 31st March 2019, Statement of Profit and Loss, Statement of Cash Flows, Statement of Changes in Equity, and a summary of significant accounting policies and other explanatory information for the Financial Year 2018-2019 and to the best of our knowledge and belief:-

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

**Sd/-
(M. K. Sharma)
Chief Executive Officer (CEO)**

**Sd/-
(Sanjay Podder)
Chief Financial Officer (CFO)**

**Date: 28.05.2019
Place: New Delhi**



PRAVEEN AGGARWAL & CO.

CHARTERED ACCOUNTANTS

23, Bhai Veer Singh Marg,
Gole Market, New Delhi-110001

Office : 23368424, 23366495
Mobile : 9312831911
E-mail : pkagg123@gmail.com

INDEPENDENT AUDITOR'S REPORT

**To the Members of
IRCON PB TOLLWAYS LIMITED**

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of IRCON PB TOLLWAYS LIMITED ("the Company"), which comprise the balance sheet as at 31st March 2019, and the statement of Profit and Loss, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and its loss, 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 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 Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibility of Management for Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other



irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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



going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2016 ("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 "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.



- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

As required by Section 143(5) of the Act and as per directions issued by comptroller and Auditor General of India, we report that:

| Sl. No. | Directions | Auditor's Replies |
|---------|---|--|
| (i) | Whether the company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated | The company has Tally system to process all the accounting transaction and used for preparation of the financial accounts. No Accounting transaction has been processed outside the IT System. |
| (ii) | Whether there is any restructuring of an existing loan or cases of waiver/write off of debts/loans/interest etc. made by a lender to the company due to company's inability to repay the loan? If yes, the financial impact may be stated. | No, company has no case of any restructuring of an existing loan or cases of waiver/write off of debts/loans/interest etc. made by a lender to the company due to company's inability to repay the loan. |



| | | |
|-------|---|---|
| (iii) | Whether funds received/receivable for specific schemes from Central/State agencies were properly accounted for/ utilized as per its term and conditions? List the cases of deviation. | Company has recorded Viability Gap Funding (VGF) in form of Equity Support for the project as receivable from National Highway Authority of India (NHAI). Company has partly received VGF from NHAI and same has been accounted / utilized as per terms and condition of the agreement. |
|-------|---|---|

For Praveen Aggarwal & Co.

Chartered Accountants

FRN 000044N




Praveen Kumar Aggarwal

Partner

M. No. 015159

Place: New Delhi

Date: 17th May 2019



Annexure A" to the Independent Auditors' Report of even date on the Standalone Financial Statements of the IRCON PB Tollways Limited for the year ended 31st March, 2019

- i. a. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- b. The fixed assets were physically verified by the management during the year. There is a regular programme of verification, which in our opinion, is reasonable having regard to the size of the Company and nature of its business. No material discrepancies were noticed on such verifications.
- c. The company does not own any immovable properties, the provision of Clause 3(i) (c) of the said Order is not applicable to the Company.
- ii. The Company does not hold any inventory. Therefore, the provisions of Clause 3(ii) of the said Order are not applicable to the Company.
- iii. According to the information and explanation given to us by the management and records produced, the Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Therefore, paragraph 3(iii) of the Order is not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, in respect of loans, investments, guarantees and security, the provisions of section 185 and 186 of the Companies Act, 2013 have been complied with.
- v. According to the information and explanations given to us, and as per our examination of records, the Company has not accepted any deposits from public and therefore, the directives issued by the Reserve Bank of India and the provisions of Section 73 to 76 or any other relevant provision of the Companies Act, 2013, and rules framed there under, are not applicable.
- vi. We have broadly reviewed the books of account maintained by the company in respect of products/services where, pursuant to the Rules made by the Central Government of India, the maintenance of cost records has been prescribed under sub-section (1) of Section 148 of the Act and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the cost records with a view to determine whether that they are accurate or complete.
- vii. a. The Company is generally regular in depositing undisputed statutory dues including provident fund, income tax, goods and service tax, duty of customs, cess and any other statutory dues applicable with the appropriate authorities. According to the information and explanation given to us, there are no undisputed statutory dues which were outstanding as on 31.03.2019 for a period of more than six months from the date the same become payable.
- b. According to the information and explanation given to us, and as per our examination of records of the Company, no dues on account of goods and service tax, income tax, duty of customs, royalty, provident fund and cess matters that have not been deposited on account of dispute as on 31.3.2019.



- viii. The Company have not taken any loan from financial institution, bank, government or dues to debenture holder so the question of default by the Company in repayment of loans or borrowing does not arise.
- ix. The Company has not raised any money by initial public offer, further public offer during the year. Company has raised money via debt instrument and term loans were applied for the purposes for which those are raised.
- x. According to the information and explanations given to us, no fraud by the Company or any fraud on the Company by its officers or employees has been noticed or reported during the course of our audit.
- xi. According to the information and explanations given to us, the provisions of section 197 read with Schedule V to the Companies Act, 2013 are not applicable to the Company.
- xii. The Company is not a Nidhi Company as specified in the Nidhi Rules, 2014. Thus, the requirements under para 3(xii) of the Companies (Auditor's Report) Order 2016 are not applicable to the Company.
- xiii. According to the information and explanations given to us, all transactions with related parties are in compliance with section 177 and 188 of the Companies Act, 2013 where applicable and the details have been disclosed in the financial statements etc., as required by the applicable accounting standards.
- xiv. According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- xv. According to the information and explanations given to us, the Company has not entered into non-cash transactions with the directors or persons connected with him, within the provisions of section 192 of the Companies Act, 2013.
- xvi. The Company is not a Non-banking finance company, hence registration under section 45-IA of the Reserve Bank of India Act, 1934 does not arise.

For Praveen Aggarwal & Co
Chartered Accountants
FRN 000044N



Praveen Kumar Aggarwal
Partner
M. No. 015159

Place: New Delhi
Date: 17th May 2019

“Annexure B” to the Independent Auditors’ Report of even date on the Standalone Financial Statements of the IRCON PB Tollways Limited for the year ended 31st March, 2019

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

We have audited the internal financial controls over financial reporting of the company as of March 31, 2019 in conjunction with our audit of the standalone financial statements of the company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s 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 over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, 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 Praveen Aggarwal & Co.
Chartered Accountants
FRN 000044N**



**Praveen Kumar Aggarwal
Partner
M.No. 015159**

**Place: New Delhi
Date: 17th May 2019**

IRCON PB TOLLWAY LIMITED (CIN - U45400DL2014GOI272220)

BALANCE SHEET As at 31st March 2019

(in Rs. crore)

| Particulars | Note No. | As at 31st March 2019 | As at 31st March 2018 |
|--|----------|-----------------------|-----------------------|
| I. ASSETS | | | |
| 1 Non-current assets | | | |
| (a) Property, Plant and equipment | 3 | 0.03 | 0.01 |
| (b) Other Intangible assets | 4 | 517.99 | - |
| (c) Intangible assets under development | 4 | 4.88 | 277.58 |
| (d) Financial Assets | 5 | - | - |
| (i) Loans | 5.1 | - | - |
| (ii) Others | 5.2 | 1.00 | 0.96 |
| (e) Deferred tax assets (Net) | 6 | 0.81 | 0.10 |
| Total Non-current assets | | 524.71 | 278.65 |
| 2 Current assets | | | |
| (a) Financial Assets | 7 | - | - |
| (i) Trade Receivables | 7.1 | 15.15 | - |
| (ii) Cash and cash equivalents | 7.2 | 1.29 | 15.31 |
| (iii) Other Bank Balances | 7.3 | - | 20.00 |
| (iv) Loans | 7.4 | - | 0.03 |
| (v) Others | 7.5 | 112.78 | 114.62 |
| (b) Current Tax Assets (Net) | 8 | 4.48 | 3.37 |
| (c) Other current assets | 9 | 2.59 | 0.06 |
| Total Current assets | | 136.29 | 153.39 |
| Total Assets | | 661.00 | 432.04 |
| II. EQUITY AND LIABILITIES | | | |
| 1 Equity | | | |
| (a) Equity Share Capital | 10 | 165.00 | 165.00 |
| (b) Other Equity | 11 | 1.81 | 3.92 |
| Total Equity | | 166.81 | 168.92 |
| 2 Liabilities | | | |
| (i) Non-current liabilities | | | |
| (a) Financial Liabilities | 12 | | |
| (i) Borrowings | 12.1 | 309.70 | 240.85 |
| (ii) Trade Payables | 12.2 | - | - |
| - Dues of Micro Enterprises and Small Enterprises | | | |
| - Total outstanding dues Other than of Micro Enterprises and Small Enterprises | | | |
| Total Non-current liabilities | | 309.70 | 240.85 |
| (ii) Current liabilities | | | |
| (a) Financial Liabilities | 13 | | |
| (i) Borrowings | 13.1 | 28.15 | - |
| (ii) Trade payables | 13.2 | | |
| - Dues of Micro Enterprises and Small Enterprises | | | |
| - Total outstanding dues Other than of Micro Enterprises and Small Enterprises | | 2.65 | 19.36 |
| (iii) Other financial liabilities | 14 | 1.06 | 0.42 |
| (b) Other current liabilities | 15 | 2.42 | 2.42 |
| (c) Provisions | 16 | 150.21 | 0.07 |
| Total Current liabilities | | 184.49 | 22.27 |
| Total Equity and Liabilities | | 661.00 | 432.04 |
| III. Summary of Significant Accounting policies | 1 - 2 | | |
| IV. Notes forming part of financial statements | 3 - 44 | | |


As per our Report of even date attached


For and on behalf of IRCON PB TOLLWAY Limited

For Praveen Aggarwal & Co
Chartered Accountants
FRN 000044N



Praveen Kumar Aggarwal
Partner
M. No. 015159


Deepak Sabhlok
Chairman
DIN 03056457


Ashok Kumar Goyal
Director
DIN 05308809


Anand Kumar Singh
Director
DIN: 07018776

Place : New Delhi
Date : 17th May, 2019


Sanjay Podder
(Chief Financial Officer)


M.K. Sharma
(Chief Executive Officer)


Shudodhani
(Company Secretary)

STATEMENT OF PROFIT AND LOSS FOR THE YEAR FROM 1st APRIL 2018 To 31ST MARCH 2019

(In Rs. crore)

| Particulars | | Note No. | For the Period From
01/04/2018 To
31/03/2019 | For the Period
From 01/04/2017
To 31/03/2018 |
|-------------|---|----------|--|--|
| I. | Revenue : | | | |
| | Revenue from operations | 17 | 356.07 | 277.54 |
| | Add :- Company share of turnover in Integrated Joint operations | | - | - |
| | | | 356.07 | 277.54 |
| II. | Other Income | 18 | 0.82 | 1.27 |
| III. | Total Income (I + II) | | 356.89 | 278.81 |
| IV. | Expenses: | | | |
| | Project Expenses | 19 | 328.83 | 258.16 |
| | Employee benefits expenses | 20 | 2.79 | 2.76 |
| | Finance costs | 21 | 25.22 | 16.63 |
| | Depreciation, amortization and impairment | 22 | 2.77 | - |
| | Other Expenses | 19 | 0.10 | 0.02 |
| | Total Expenses (IV). | | 359.71 | 277.57 |
| V. | Profit Before exceptional items and Tax (III - IV) | | -2.82 | 1.24 |
| VI. | Exceptional items | | - | - |
| VII. | Profit before tax (V + VI) | | -2.82 | 1.24 |
| VIII. | Tax expenses: | | | |
| | (1) Current tax | | | |
| | - For the Period | 8 | - | 0.33 |
| | - For earlier years (net) | 8 | - | - |
| | (2) Deferred tax (net) | 6 | (0.71) | 0.09 |
| | Total Tax Expense | | (0.71) | 0.42 |
| IX | Profit for the period from continuing operation (VII - VIII) | | -2.11 | 0.82 |
| X | Profit/(loss) from discontinued operations | | - | - |
| XI | Tax Expense of discontinued operations | | - | - |
| XII | Profit/(loss) from discontinued operations (after tax) (X-XI) | | - | - |
| XIII | Profit/(loss) for the period (IX+XII) | | -2.11 | 0.82 |
| X | Other Comprehensive Income | | | |
| | A. (i) Items that will not be reclassified to profit or loss | | - | - |
| | (ii) Income Tax relating to Items that will not be reclassified to profit or loss | | - | - |
| | B. (i) Items that will be reclassified to profit or loss | | - | - |
| | (ii) Income Tax relating to Items that will be reclassified to profit or loss | | - | - |
| XI | Total Comprehensive Income for the period (IX + X)
(Comprising profit and other comprehensive Income for the year, net of tax) | | -2.11 | 0.82 |
| XII | Earnings Per Equity Share:
(For Continuing Operation) | | | |
| | (1) Basic | 25 | -0.13 | 0.05 |
| | (2) Diluted | 26 | -0.13 | 0.05 |
| XIII | Summary of Significant Accounting policies | 1 - 2 | | |
| XIV | Notes forming part of financial statements | 3 - 44 | | |

As per our Report of even date attached

For and on behalf of IRCON PB TOLLWAY Limited

For Praveen Aggarwal & Co
Chartered Accountants
FRN 000044N

Praveen Kumar Aggarwal
Partner
M. No. 015159

Deepak Sabhlok
Chairman
DIN 03056457

Sanjay Podder
(Chief Financial Officer)

Ashok Kumar Goyal
Director
DIN 05308809

M.K. Sharma
(Chief Executive Officer)

Anand Kumar Singh
Director
DIN: 07018776

Shudodhani
Shudodhani
(Company Secretary)

Place : New Delhi
Date : 17th May, 2019

IRCON PB TOLLWAY LIMITED (CIN - U45400DL2014GOI272220)
Cash Flow Statement as at 31st March 2019

| Particulars | | As at 31st March 2019 | As at 31st March 2018 |
|---|-----------|-----------------------|-----------------------|
| CASH FLOW FROM OPERATING ACTIVITIES | | | |
| Net Profit before taxation | | -2.82 | 1.24 |
| Adjustment for : | | | |
| Depreciation, amortization and impairment | | 2.77 | - |
| Interest Income | | (0.73) | (1.26) |
| Operating Profit before working capital changes | (1) | -0.78 | -0.02 |
| Adjustment for : | | | |
| Decrease / (Increase) in Trade Receivables / Financial Assets - Loans | | (15.12) | (6.31) |
| Decrease / (Increase) in Other Assets & Financial Assets | | (0.75) | (92.92) |
| (Decrease) / Increase in Trade Payables | | (16.68) | 22.17 |
| (Decrease) / Increase in Other Liabilities, Financial Liabilities & Provisions | | 0.90 | 0.96 |
| | (2) | (31.65) | (76.10) |
| Cash generated from operation | (1+2) | (32.43) | (76.12) |
| Income Tax Paid | | (1.45) | (2.96) |
| NET CASH FROM OPERATING ACTIVITIES | (A) | (33.88) | (79.08) |
| CASH FLOW FROM INVESTING ACTIVITIES | | | |
| Purchase of Property, Plant and Equipment including CWIP | | (97.88) | (53.80) |
| Interest Received | | 0.74 | 1.27 |
| (Investment) / Maturity of Bank Deposits (having maturity of more than 3 months) | | 20.00 | (20.00) |
| NET CASH FROM INVESTING ACTIVITIES | (B) | (77.14) | (72.53) |
| CASH FLOW FROM FINANCING ACTIVITIES | | | |
| Loan From IRCON | | 97.00 | 160.85 |
| NET CASH FROM FINANCING ACTIVITIES | (C) | 97.00 | 160.85 |
| Effect of Exchange differences on translation of Foreign Currency Cash & Cash Equivalents | (D) | - | - |
| NET DECREASE IN CASH & CASH EQUIVALENT | (A+B+C+D) | (14.02) | 9.24 |
| CASH AND CASH EQUIVALENT (OPENING) | (E) | 15.31 | 6.07 |
| CASH AND CASH EQUIVALENT (CLOSING) * | (F) | 1.29 | 15.31 |
| NET INCREASE / (DECREASE) IN CASH & CASH EQUIVALENT | (F - E) | (14.02) | 9.24 |

Notes :

1. Effective April 1, 2017, the company has adopted the amendment to Ind-AS 7, which require the entities to 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, suggesting inclusion of a reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities, to meet the disclosures requirement. The adoption of amendment did not have any material effect on the financial statements.

2. Figures in brackets represent outflow of cash.

3. Figures of the previous year have been regrouped / recasted wherever necessary.


As per our Report of even date attached


For and on behalf of IRCON PB TOLLWAY Limited

For Praveen Aggarwal & Co
Chartered Accountants
FRN 00044N




Praveen Kumar Aggarwal
Partner
M. No. 015159


Deepak Sabhlok
Chairman
DIN 03056457


Ashok Kumar Goyal
Director
DIN 05308809


Anand Kumar Singh
Director
DIN: 07018776


Sanjay Podder
(Chief Financial Officer)


M.K. Sharma
(Chief Executive Officer)


Shudodhani
(Company Secretary)

Place : New Delhi
Date : 17th May, 2019

IRCON PB TOLLWAY LIMITED (CIN - U46400DL2014GOI272220)
Statement of changes in equity as at 31 March 2019

(In Rs. Crore)

| A. Equity share capital | | Balance as at April 01, 2018 | Shares buy back during the year | Balance as at March 31, 2019 |
|-------------------------|--|------------------------------|---------------------------------|------------------------------|
| | | 165.00 | - | 165.00 |

B. Other Equity

| Particulars | Reserve & Surplus | | | Items of Other Comprehensive Income | Total |
|---|-------------------|-------------------|----------------------------|--|--------------|
| | General Reserves | Retained Earnings | Capital Redemption Reserve | Exchange differences on translating the financial statement of a foreign operation | |
| Balance as at April 01, 2018 | - | 3.92 | - | - | 3.92 |
| Changes in accounting policy or prior period errors | | - | | | - |
| Restated balance at the beginning of the reporting period | - | 3.92 | - | - | 3.92 |
| Profit for the year | | -2.11 | | | -2.11 |
| Other Comprehensive Income | | | | | |
| Remeasurement of Defined Benefit Plans | | - | | | - |
| Foreign Exchange translation difference | | | | - | - |
| Total Comprehensive Income for the period | - | -2.11 | - | - | -2.11 |
| Buy Back of Equity Shares | | | - | | - |
| Less : Payment of Fee for increase in Authorised Capital | | - | | | - |
| Less : Payment for Buy Back of Shares | | - | | | - |
| Less : Dividends Paid | | - | | | - |
| Less : Dividend Distribution Tax | | - | | | - |
| Less: Bonus Issue | | - | | | - |
| Balance as at March 31, 2019 | - | 1.81 | - | - | 1.81 |

As per our Report of even date attached

For Praveen Aggarwal & Co
Chartered Accountants
FRN 000044N



Praveen Kumar Aggarwal
Partner
M. No. 015159

Place : New Delhi
Date : 17th May, 2019


For and on behalf of IRCON PB TOLLWAY Limited


Deepak Sabhlok
Chairman
DIN 03056457


Sanjay Podder
(Chief Financial Officer)


Ashok Kumar Goyal
Director
DIN 05308809


M.K. Sharma
(Chief Executive Officer)


Anand Kumar Singh
Director
DIN: 07018776


Shudodhani
(Company Secretary)

STATEMENT OF CHANGES IN EQUITY
Statement of changes in equity as at 31 March 2018

(In Rs. crore)

| A. Equity share capital | | Balance as at April 01, 2017 | Shares buy back during the year | Balance as at March 31, 2018 | |
|---|-------------------|------------------------------|---------------------------------|--|-------|
| | | 165.00 | - | 165.00 | |
| B. Other Equity | | | | | |
| Particulars | Reserve & Surplus | | | Items of Other Comprehensive Income | Total |
| | General Reserves | Retained Earnings | Capital Redemption Reserve | Exchange differences on translating the financial statement of a foreign operation | |
| Balance as at April 01, 2017 | - | 3.10 | - | - | 3.10 |
| Changes in accounting policy or prior period errors | - | - | - | - | - |
| Restated balance at the beginning of the reporting period | - | 3.10 | - | - | 3.10 |
| Profit for the year (Restated) | - | 0.82 | - | - | 0.82 |
| Other Comprehensive Income | | | | | |
| Remeasurement of Defined Benefit Plans | - | - | - | - | - |
| Foreign Exchange translation difference | - | - | - | - | - |
| Total Comprehensive Income for the year | - | 0.82 | - | - | 0.82 |
| Buy Back of Equity Shares | - | - | - | - | - |
| Less : Payment of Fee for increase in Authorised Capital | - | - | - | - | - |
| Less : Payment for Buy Back of Shares | - | - | - | - | - |
| Dividends Paid | - | - | - | - | - |
| Dividend Distribution Tax | - | - | - | - | - |
| Bonus Issue | - | - | - | - | - |
| Balance as at March 31, 2018 | - | 3.92 | - | - | 3.92 |

As per our Report of even date attached

For and on behalf of IRCON PB TOLLWAY Limited

For Praveen Aggarwal & Co
Chartered Accountants
FRN 000044N




Praveen Kumar Aggarwal
Partner
M. No. 015159

Place : New Delhi
Date : 17th May, 2019


Deepak Sabhlok
Chairman
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Anand Kumar Singh
Director
DIN: 07018776


Sanjay Podder
(Chief Financial Officer)


M.K. Sharma
(Chief Executive Officer)


Shudodhani
(Company Secretary)

1. Corporate Information

Ircon PB Tollway Limited ('Ircon PBTL') (CIN) U45400DL2014GOI272220) is a wholly owned subsidiary of Ircon International Limited ('IRCON'). The Company came into existence when IRCON incorporated IrconPBTL on 30.09.2014 on account of work awarded by NHAI for widening and strengthening of the existing Bikaner - Phalodi Section to 4 lane from Km. 4.200 to Km. 55.250 and 2 Lane with Paved shoulder from Km. 55.250 to Km. 163.50 of NH 15 in the state of Rajasthan on DBFOT (Design, Built, Finance, and Operate & Transfer) basis in accordance with the terms and conditions in the concession agreement signed with NHAI. In pursuant to the provisions of 'Request for Proposal', the selected bidder 'IRCON' formed IrconPBTL as Special Purpose Vehicle (SPV). The Company obtained Certificate of Commencement of Business on 10th Oct 2014 from the office of Registrar of Companies. Accordingly, SPV has signed the Concession Agreement with NHAI on 7th Nov 2014. As per provisions of Concession Agreement Article 24, clause 24.1, the Concessionaire is obliged to achieve financial close within 180 days from the date of agreement so that NHAI may notify the date of appointment, known as Appointed Date before physical commencement of the project. The financial close was completed by concessionaire during the financial year 2015-16; accordingly, the appointed date was fixed by NHAI on 14th Oct 2015. The concession period of 26 years including construction period commenced on 14th Oct 2015 on Appointed Date notified by the NHAI. NHAI is to provide Viability Gap Fund (VGF) of Rs.327.00 crores as per provisions of the concession agreement.

Company received provisional Commercial Operation Date (COD) on 15th Feb 2019.

2. Summary of Significant Policies

1. Basis of Preparation

i) Statement of Compliance

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind-AS) notified under section 133 of the companies Act, 2013 as read with Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian accounting standards) Amendment Rules 2016.

ii) Basis of Measurement

The financial statements have been prepared under the historical cost convention and on an accrual basis, except certain financial assets and liabilities measured at fair value.

- a. Assets and liabilities under service concession agreement.
- b. Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments).
- c. Provisions as per para (6) below, where time value of money is material
- d. All assets and liabilities have been classified as current or non-current as per Company's normal operating cycle (twelve months) and other criteria set out in the schedule III to the Act.



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- e. Company's financial statements are presented in India Rupees, which is its functional currency.

iii) **Basis of classification of Current and Non-Current**

Assets and Liabilities in the balance sheet have been classified as either current or non-current.

An asset has been classified as current if

- It is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle; or
- it is held primarily for the purpose of being traded; or
- it is expected to be realized within twelve months after the reporting date; or
- it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

All other assets have been classified as non-current.

A liability has been classified as current when

- It is expected to be settled in the Company's normal operating cycle; or
- It is held primarily for the purpose of being traded; or
- It is due to be settled within twelve months after the reporting date; or
- The Company does not have an unconditional right to defer settlement of the liability for at least twelve months.

All other liabilities have been classified as non-current.

An operating cycle is the time between the acquisition of assets for processing and their realization in cash & cash equivalents.

iv) **Use of estimates and judgment**

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, disclosure of contingent assets and liabilities at the date of financial statements and the reported amount of income and expenses. Actual results may differ from these estimates.

a. **Critical accounting estimates and judgments:**

- Fair value measurement of financial Instrument
- Useful life of property, plant and equipment & intangible assets
- Revenue in Construction Contract
- Impairment of Non-financial assets
- Impairment of financial assets
- Estimation of Deferred & Current tax



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The Company recognizes revenue for a performance obligation satisfied over time after reasonably estimating its progress towards complete satisfaction of the performance obligation.

The recognition of revenue requires assessments and judgments to be made on changes in work scope, claims (compensation, rebates etc.) and other payments to the extent performance obligation is satisfied and they are probable end are capable of being reasonably measured. For the purpose of making estimates for claims, the company used the available contractual and historical information.

Applicability of service concession agreement accounting

Appendix C "Service concession arrangements" of Ind AS 115 applies to "public to private" service concession arrangements, which can be defined as contracts under which the grantor transfers to a concession holder the right to deliver public services that give access to main public facilities for a specified period of time in return of managing the infrastructure used to deliver those public services.

More specifically, it applies to public to private service concession arrangement if the grantor:-

- Controls or regulates what services the operators must provide with the infrastructure, to whom it must provide them, and at what price; and
- Controls through ownership or otherwise -any significant residual interest in the infrastructure at the end of the term of the arrangement.

The Company has right to receive viability gap funding of Rs 327 crores from NHAI during the construction period subject to certain terms & conditions. This amount will be reduced from the Intangible asset and consequently also from its cost while recognizing revenue as per Appendix C of Ind AS -115. Apart from this the Company has license to charge users of Toll Road during the Concession period, and is following the 'Intangible Asset Model' as prescribed in Appendix C of Ind AS 115.

The company will charge all its project cost to profit and loss and recognize construction revenue at fair value i.e. Nil Margin. Consideration from revenue will be partly booked as financial asset and partly as Intangible Asset (Right to receive license to charge users of Toll Road).

Estimates and underlying assumptions are reviewed on a periodic basis. Future results could differ due to changes in these estimates and difference between the actual result and the estimates are recognized in the period in which the results are known /materialize.

All financial information presented in Indian rupees and all values are rounded to the nearest crores rupees with two decimal points except where otherwise stated.

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3. Statement of Cash Flow

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

4. Property, plant and equipment

1. Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any.
2. The machinery spares which can be used only in connection with an item of Property, Plant and Equipment and the use of which is expected to be irregular are capitalized & depreciated/amortized over the balance life of such Property, Plant & Equipment.
3. Cost of asset includes the following-
 - a) Cost directly attributable to the acquisition of the assets.
 - b) Incidental expenditure during the construction period is capitalized as part of the indirect construction cost to the extent the expenditure is directly related to construction or is incidental thereto.
 - c) Present value of the estimated costs of dismantling & removing the items & restoring the site on which it is located if recognition criteria are met.
4. Cost of replacement, major inspection, repair of significant parts and borrowing costs for long-term construction projects are capitalized if the recognition criteria are met.
5. An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognized.
6. Amounts paid towards the acquisition of property, plant and equipment outstanding as of each reporting date and the cost of property, plant and equipment not ready for intended use before such date are disclosed under capital work- in-progress. Expenses directly attributable to project, prior to commencement of commercial operation, are considered as project development expenditure and shown under Capital Work-in-Progress.

Depreciation

Depreciation on Property, plant and Equipment is provided on Straight Line basis (SLM) over the useful life of the assets as specified in Schedule II of the Companies Act, 2013.

Each part of an item of Property, Plant and Equipment is depreciated separately if the cost of part is significant in relation to the total cost of the item and useful life of that part is different from the useful life of remaining asset.



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The estimated useful life of assets for current period of significant items of property plant and equipment are as follows:

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

Leasehold land and improvements are amortized over the lower of estimated useful life and lease term.

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted prospectively, if appropriate. Ordinarily, the residual value of an asset is up to 5% of the original cost of the asset as specified in Schedule II of the Companies Act, 2013.

Property plant and equipment acquired during the year, individually costing up to Rs. 5000/- are fully depreciated, by keeping Re. 1 as token value for identification.

5. Intangible Assets and Intangible Assets under development

a. Intangibles Other than Toll Collection Right

Intangible assets are recognized when it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably. Intangible assets are stated at historical cost less accumulated amortization and impairment loss, if any.

Amortization of Intangible Assets

Intangible assets are amortized over their respective estimated useful lives on a straight-line basis from the date that they are available for use.

The estimated useful life of intangible assets is as follows:

| Intangible Assets | Useful life | Self-generated/acquired |
|-------------------|-------------|-------------------------|
| Software | 36 months | Acquired |

Amortization methods, useful lives and residual values are reviewed at each reporting date.

Software cost up to Rs. 1 Lakh in each case is fully amortized in the year of purchase, by keeping Rs. 1 for token value for identification.

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

The company recognizes an intangible asset arising from service concession arrangement when it has a right to charge for usage of the concession infrastructure. An intangible asset received as consideration for providing construction or upgrade service in a service









concession agreement is measured at fair value on initial recognition by reference to the fair value of the services provided. Subsequent to initial recognition, the intangible asset is measured at cost, less accumulated amortization and accumulated impairment losses.

The Company recognizes Viability Gap Funding(VGF) in the nature of equity support. Total expected amount of VGF is reduced from intangible assets under development (being created under the service concession arrangement) and receivable under current financial assets is recognized. Any amount received against the VGF is then reduced from the current financial assets.

The estimated useful life of an intangible asset in a service concession arrangement is the period from where the company is able to charge the public for use of infrastructure to the end of the concession period.

Toll collection right is amortized using straight line method on pro-rata basis from the date of addition or from the date when the right brought in to service to the expiry of concession period.

Amortization methods and useful lives are reviewed at each reporting date, with the effect of change in estimate accounted for on a prospective basis.

The carrying value of intangible asset is reviewed for impairment annually or more often if events or changes in circumstances indicate that the carrying value may not be recoverable.

6. Cash and cash Equivalent

Cash and cash equivalents in the balance sheet comprise of cash at bank, cash in hand, Cheques in hand and short-term deposits with an original maturity of 3 months or less which are subject to insignificant risk of changes in value.

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

7. Provisions

Provision is recognized when:

- i. The Company has a present obligation as a result of a past event,
- ii. A probable outflow of resources is expected to settle the obligation and
- iii. A reliable estimate of the amount of the obligation can be made.

Reimbursement of the expenditure required to settle a provision is recognized as per contract provisions or when it is virtually certain that reimbursement will be received.

Provisions are reviewed at each Balance Sheet date.



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Discounting of Provisions

Provision recognized above which are expected to be settled beyond 12 months are measured at the present value by using pre-tax discount rate that reflects the risks specific to the liability. The increase in the provision due to the passage of time is recognized as interest expenses.

8. Revenue Recognition

Revenue is recognized to the extent that it is probable that economic benefits will flow to company and the revenue can be reliably measured.

Part A:

Policy -Revenue from contract with customers

a) Revenue from construction services

The Company recognizes and measures revenue from construction services under a service concession arrangement in accordance with Ind AS -115 "Revenue from Contracts with Customers".

The Consideration received or receivable by the Company is a right to financial asset and an intangible asset. The Company recognizes a financial asset to the extent it has an unconditional right to receive cash which is specified determinable amount from or at the direction of the grantor for the construction services and the Company recognizes an intangible asset to the extent that it receives a sole and exclusive right to charge users of the public service. A right to charge users of the public service is not an unconditional right to receive cash because the amounts are contingent on the extent that the public uses the service.

The Company recognizes contract revenue on the satisfaction of a performance obligation by transferring a promised service to the grantor. The Company's performance creates /enhances an asset that the grantor controls as the asset is created or enhanced hence, the Company transfers control over time, satisfies a performance obligation over time.

The Company recognizes revenue for a performance obligation satisfied over time only if it can reasonably measure its progress towards complete satisfaction of the performance obligation, However, where the Company is not be able to reasonably measure the outcome of a performance obligation, but the Company expects to recover the costs incurred in satisfying the performance obligation, the Company recognize revenue only to the extent of the costs incurred until such time that it can reasonably measure the outcome of the performance obligation.

The Company measures performance obligation by applying input method as it which faithfully depict the entity's performance towards complete satisfaction of the performance obligation.

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The Company measures the revenue at the transaction price that is allocated to the performance obligation and where customer promises consideration in a form other than cash or promise of non-cash consideration at fair value.

If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognized for the earned consideration that is conditional. Both types of consideration- Financial asset and intangible assets are classified as contract asset during the construction/upgrade period.

Estimate of revenues, costs, or extent of progress towards completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are recognized by including it in profit or loss in the period of the change, if the change affects that period only or the period of change and future periods, if the change affects both.

b) Revenue from toll collection

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

Revenue from toll collection

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

Other Revenue Recognition

Dividend income is recognized when the right to receive payment is established.

Interest income is recognized using Effective Interest rate Method.

9. Impairment of non-financial assets

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value and impairment loss is charged to the Statement of Profit & Loss in the year in which an asset is identified as impaired. At each reporting date company assesses the estimate amount of impairment loss. The impairment loss recognized in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount and such losses either no longer exists or has decreased. Reversal of impaired loss is recognized in the Statement of Profit & Loss.

10. Borrowing Cost

Borrowing cost in ordinary course of business are recognized as expense of the period in which they are incurred. Borrowing cost that is directly attributable to acquisition, construction or production of a qualifying asset is capitalized as part of the cost of the asset.

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11. Employee Benefits

1. Short Term Employee Benefits

The undiscounted amount of short term employee benefits expected to be paid for the services rendered are recognized as an expense during the period when the employees render the services.

2. Post-employment benefits & other Long Term Employee Benefits

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

12. Leasing-

Company as a lessee

Finance Lease:-

- i. that transfers substantially all the risks and rewards incidental to ownership of an asset
- ii. are capitalised at lease inception at lower of fair value or present value of minimum lease payment
- iii. Payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability.
- iv. Finance charges are recognised in finance costs in the statement of profit and loss.
- v. Depreciated over the useful life of the asset. However, if there is no reasonable certainty to obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating Lease:-

- i. Is classified as operating lease when significant portion of the risk and rewards are not transferred to the company.
- ii. Payment are charged to profit and loss on straight-line basis over the lease term except where lease payment are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increase

13. Current income tax

- i. Taxes including current income-tax are computed using the applicable tax rates and tax laws.
- ii. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the company operates and generates taxable income.

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- iii. Current income tax assets and liabilities for current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. Liability for additional taxes, if any, is provided / paid as and when assessments are completed.
- iv. Current tax related to OCI Items is recognized in Other Comprehensive Income (OCI).

14. Deferred tax

- i. Deferred income tax is recognized using balance sheet approach.
- ii. Deferred income tax assets and liabilities are recognized for temporary differences which is computed using the tax rates and tax laws that have been enacted or substantively enacted at the reporting date.
- iii. Deferred income tax asset are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.
- iv. The carrying amount of deferred income 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 income tax asset to be utilized.
- v. Deferred tax related to OCI Item is recognized in Other Comprehensive Income (OCI).

15. Operating Segment

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

16. Earnings per Share

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

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

17. Functional Currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Company operates. (i.e. Functional Currency). The financial statements are presented in Indian rupees, which is the presentation as well as Functional currency of company.

Transactions in foreign currency

All foreign currency transactions are translated into functional Currency at the rate prevalent on the date of transaction.

Non-monetary items are translated at the rate on the date of initial transaction.

Monetary items denominated in foreign currency are translated at the prevailing closing selling rates for Liabilities and closing buying rate for Assets, at each reporting date.

Exchange Gains or Losses in respect of above transactions are recognised in Statement of profit and loss.

18. Contingent Liabilities and contingent Assets

Contingent Liabilities are disclosed in either of the following cases:

- i. A present obligation arising from a past event, when it is not probable that an outflow of resources will be required to settle the obligation; or
- ii. A reliable estimate of the present obligation cannot be made; or
- iii. A possible obligation, unless the probability of outflow of resource is remote

Contingent assets is disclosed where an inflow of economic benefits is probable

Contingent Liability and Provisions needed against Contingent Liability and Contingent Assets are reviewed at each Reporting date.

Contingent Liability is net of estimated provisions considering possible outflow on settlement.

19. Fair Value Measurement

Company measures financial instruments at fair value at each reporting 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 to 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 best economic interest. The company uses valuation techniques that are appropriate in the



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circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

Assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

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

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

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

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

20. Dividend to equity holders

Dividend paid/payable shall be recognized in the year in which the related dividends are approved by shareholders or board of directors as appropriate.

21. Financial instruments:-

i. Initial recognition and measurement

Financial Instruments recognized at its fair value plus or minus transaction costs that are directly attributable to the acquisition or issue of the financial instruments

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ii. Subsequent measurement

Financial Assets

Financial assets are classified in following categories:

At Amortised Cost

A financial asset shall be measured at amortised cost if both of the following conditions are met:

- i. the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and
- ii. 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.

Such financial assets measured at amortised cost using effective interest rate (EIR) method less impairment, if any. The EIR amortisation is included in finance income in the statement of profit and loss.

At fair value through other comprehensive income (FVTOCI)

A 'debt instrument' is classified as at the Fair value through other comprehensive income if both of the following criteria are met:

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The asset's contractual cash flows represent solely payment of principal and interest (SPPI).

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

At Fair value through Profit & Loss (FVTPL)

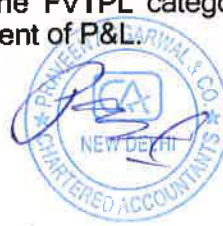
FVTPL is a residual category for financial Assets. Any financial assets, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the company may elect to designate financial asset, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. If doing so reduces or eliminates a measurement or recognition inconsistency. The company has not designated any financial asset as at FVTPL.

Financial assets included within the FVTPL category are measured at fair value with all changes recognized in the Statement of P&L.

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Financial liabilities

Financial liabilities at Amortized Cost

Financial liabilities at amortized cost represented by trade and other payables, security deposits and retention money are initially recognized at fair value, and subsequently carried at amortized cost using the effective interest rate method.

Financial liabilities at FVTPL

The company has not designated any financial liabilities at FVTPL.

De-recognition

Financial Asset

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognized only when the contractual rights to the cash flows from the asset expires or it transfers the financial assets and substantially all risks and rewards of the ownership of the asset.

Financial Liability

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 a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in the statement of Profit & Loss.

22. Impairment of financial assets:

Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss. The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivable. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortized cost and FVTOCI debt instruments. The impairment methodology applies on whether there has been significant increase in credit risk.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/expense in the statement of profit and loss.

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IRCON PB TOLLWAY LIMITED (CIN - U45400DL2014GOI272220)

3 Property, Plant and Equipment

(in Rs. crore)

| | Computers | Office Equipments | Total |
|--|-----------|-------------------|-------|
| Gross Carrying Amount (At Cost) | | | |
| At 31 March 2017 | 0.01 | - | 0.01 |
| Additions | - | - | - |
| Disposals/Adjustments | - | - | - |
| Exchange (Gain) / Loss | - | - | - |
| At 31 March 2018 | 0.01 | - | 0.01 |
| Additions | - | 0.02 | 0.02 |
| Disposals/Adjustments | - | - | - |
| Exchange (Gain) / Loss | - | - | - |
| At 31 March 2019 | 0.01 | 0.02 | 0.03 |

Depreciation and impairment

| | | | |
|----------------------------------|---|---|---|
| At 31 March 2017 | - | - | - |
| Depreciation charge for the year | - | - | - |
| Impairment | - | - | - |
| Disposals/Adjustments | - | - | - |
| Exchange (Gain) / Loss | - | - | - |
| At 31 March 2018 | - | - | - |
| Depreciation charge for the year | - | - | - |
| Impairment | - | - | - |
| Disposals/Adjustments | - | - | - |
| Exchange (Gain) / Loss | - | - | - |
| At 31 March 2019 | - | - | - |

| | | | |
|-------------------------|------|------|------|
| Net book value | | | |
| At 31 March 2019 | 0.01 | 0.02 | 0.03 |
| At 31 March 2018 | 0.01 | - | 0.01 |
| At 31 March 2017 | 0.01 | - | 0.01 |

Foot Notes:-

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

| Description | For the year ended
31st March 2019 | For the year ended
31st March 2018 |
|---------------------------------|---------------------------------------|---------------------------------------|
| Depreciation on Tangible Assets | - | - |
| Impairment Loss | - | - |
| Total | - | - |

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IRCON PB TOLLWAY LIMITED (CIN - U45400DL2014GOI272220)

4 Intangible Assets

(in Rs. Crore)

| Particulars | Intangible assets under development | Intangible Asset (Toll Road) | Other Intangibles (Software) |
|--|-------------------------------------|------------------------------|------------------------------|
| Closing balance at 31 March 2017 | 223.78 | | - |
| Addition during the year | 277.54 | | - |
| Capitalisation during the year | - | - | - |
| Sales / adjustment during the year## | 223.74 | | - |
| Closing balance at 31 March 2018 | 277.58 | - | - |
| Addition during the year (Refer Note 41 (a) & (b) for details) | 338.17 | 520.76 | - |
| Capitalisation during the year | 520.76 | | - |
| Sales / adjustment during the year## | 90.11 | - | - |
| Closing balance at 31 March 2019 | 4.88 | 520.76 | - |
| <i>## Equity Support due from NHAI to be reduced from In Intangible assets</i> | | | |
| <u>Amortisation and Impairment</u> | | | |
| Closing balance at 31 March 2017 | - | | - |
| Amortisation during the year | - | - | - |
| Sales / adjustment during the year | - | - | - |
| Closing balance at 31 March 2018 | - | - | - |
| Amortisation during the year | - | 2.77 | - |
| Sales / adjustment during the year | - | - | - |
| Closing balance at 31 March 2019 | - | 2.77 | - |
| Net book value | | | |
| At 31 March 2019 | 4.88 | 517.99 | - |
| At 31 March 2018 | 277.58 | - | - |

Note :-

1. Intangible Assets (Toll Road) also includes value of IT Infrastructure including software essential for the Toll Road and bundled with the EPC works of the Toll Road. The same is not separately quantifiable and an integral part of the Asset.

2. Refer Note 41(a) & 41(b) for details










IRCON PB TOLLWAY LIMITED (CIN - U45400DL2014GOI272220)

5 Financial Assets (Non Current)

5.1 Loans

(in Rs. crore)

| Particulars | As at 31st March 2019 | As at 31st March 2018 |
|------------------------------------|-----------------------|-----------------------|
| A. Secured, considered good | | |
| Staff Loans and Advances | - | - |
| Total (A) - Secured Loans | - | - |
| Grand Total - Loans | - | - |

* Details of amount due from Directors:

(in Rs. crore)

| Particulars | As at 31st March 2019 | As at 31st March 2018 |
|--|-----------------------|-----------------------|
| Amount due from directors included in staff loans and advances | - | - |
| Total | - | - |

5.2 Other Financial Assets

(in Rs. crore)

| Particulars | As at 31st March 2019 | As at 31st March 2018 |
|--|-----------------------|-----------------------|
| a) Considered Good | | |
| Security Deposits | | |
| - Others | 0.04 | - |
| - Retention Money with client (Refer note 41(f) for details) | 0.96 | 0.96 |
| Interest Accrued on Advances to Staff | - | - |
| Total - Other Financial Assets | 1.00 | 0.96 |
| Grand Total - Other Financial Assets | 1.00 | 0.96 |

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6 Deferred Tax Assets

(in Rs. crore)

| Particulars | As at 31st March 2019 | As at 31st March 2018 |
|--------------------------------|-----------------------|-----------------------|
| Others | 0.81 | 0.10 |
| Closing balance as at 31 March | 0.81 | 0.10 |

Reconciliation / Movements in Deferred Tax Assets

| Particulars | PPE and Intangible Assets | Others |
|----------------------|---------------------------|--------|
| As at 31 March 2017 | - | 0.19 |
| (Charged)/Credited : | | |
| - to profit or loss | - | (0.09) |
| As at 31 March 2018 | - | 0.10 |
| (Charged)/Credited : | | |
| - to profit or loss | - | 0.71 |
| As at 31 March 2019 | - | 0.81 |

Deferred tax liabilities have been off set as they relate to the same governing law.

Income Tax Expense
Profit or loss Section

(in Rs. crore)

| Particulars | As at 31st March 2019 | As at 31st March 2018 |
|--|-----------------------|-----------------------|
| Current income tax: | | |
| Current income tax charge | - | 0.33 |
| Adjustments in respect of current income tax of previous year | - | - |
| Deferred tax: | | |
| Relating to origination and reversal of temporary differences | (0.71) | 0.09 |
| Income tax expense reported in the statement of profit or loss | -0.71 | 0.42 |

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31 March 2018 and 31 March 2019:

(in Rs. crore)

| Particulars | As at 31st March 2019 | As at 31st March 2018 |
|---|-----------------------|-----------------------|
| Accounting profit before tax from continuing operations | (2.83) | 1.25 |
| Profit/(loss) before tax from a discontinued operation | - | - |
| Accounting profit before Income tax | -2.83 | 1.25 |
| At India's statutory income tax rate of 26% (31 March 2018: 30.90%) | - | 0.33 |
| Adjustments in respect of current income tax of previous years | - | - |
| Utilisation of previously unrecognised tax losses | - | - |
| - Deferred tax expenses related to other purposes | - | - |
| Non-deductible expenses for tax purposes: | | |
| -Other country additional tax | - | - |
| -Other non-deductible expenses | - | - |
| At the effective income tax rate of 26% (31 March 2018: 30.9%) | - | 0.33 |
| Income tax expense reported in the statement of profit and loss | (0.71) | 0.42 |
| Income tax attributable to a discontinued operation | - | - |
| | -0.71 | 0.42 |

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IRCON PB TOLLWAY LIMITED (CIN - U45400DL2014GOI272220)

7 Financial Assets

7.1 Trade Receivables

(in Rs. crore)

| Particulars | As at 31st March 2019 | As at 31st March 2018 |
|--|-----------------------|-----------------------|
| Unsecured : considered good | | |
| - Trade receivables * (Refer Note no. 30, 40(d) and 41(g) for details) | 15.15 | - |
| Total | 15.15 | - |

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IRCON PB TOLLWAY LIMITED (CIN - U45400DL2014GOI272220)

7 Financial Assets

7.2 Cash and Cash equivalents

(in Rs. crore)

| Particulars | As at 31st March 2019 | As at 31st March 2018 |
|---|-----------------------|-----------------------|
| <i>Balances with banks:</i> | | |
| - On current accounts | 0.44 | 1.33 |
| - Flexi Accounts | 0.85 | - |
| - Deposits with original maturity of less than 3 months | - | 13.98 |
| | 1.29 | 15.31 |

7.3 Bank Balances other than Cash and Cash equivalents

(in Rs. crore)

| Particulars | As at 31st March 2019 | As at 31st March 2018 |
|---|-----------------------|-----------------------|
| Other Bank Balances | | |
| - Deposits with original maturity of more than 3 months but less than 12 months | - | 20.00 |
| | - | 20.00 |

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IRCON PB TOLLWAY LIMITED (CIN - U45400DL2014GOI272220)

7 Financial Assets

7.4 Loans

| Particulars | As at 31st March 2019 | As at 31st March 2018 |
|--|-----------------------|-----------------------|
| A. Considered Good : Secured | | |
| Staff Loans and Advances | - | 0.02 |
| Total (A) - Secured Loans | - | 0.02 |
| B. Unsecured, considered good | | |
| Staff Loans & Advances | - | 0.01 |
| Total (B) - Considered Good : Unsecured | - | 0.01 |
| Grand Total | - | 0.03 |

7.5 Other Financial Assets

(in Rs. crore)

| Particulars | As at 31st March 2019 | As at 31st March 2018 |
|---|-----------------------|-----------------------|
| Considered Good | | |
| Security Deposits | | |
| - Money Withheld by Client (Refer Note 41(f) for details) | 0.88 | 0.88 |
| Interest Accrued on : | | |
| - Advance to Staff | - | 0.01 |
| - Deposits with Banks | - | 0.01 |
| Other Recoverable (Refer notes (a) below) | 111.90 | 113.72 |
| Total - Other Financial Assets - Good | 112.78 | 114.62 |

Notes:-

(a). Other Recoverable Includes Rs 102.51 Crores (Prev Year Rs 100.98 Crores) due from NHA as Equity Support (Refer note 41('C'), 29(b), 41(d) and 41 (e) for details.

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8 Current Tax Assets (Net)

(in Rs. crore)

| Particulars | As at 31st March 2019 | As at 31st March 2018 |
|---|-----------------------|-----------------------|
| Taxes Paid including TDS & Advance Tax (Net of Provision for Tax) | 4.48 | 3.37 |
| Current tax Assets (Net) | 4.48 | 3.37 |

(in Rs. crore)

| Particulars | As at 31st March 2019 | As at 31st March 2018 |
|--------------------------|-----------------------|-----------------------|
| Taxes Paid : | | |
| Income Tax - TDS | 4.48 | 3.70 |
| Advance Income Tax | | |
| Less : Provision for Tax | - | (0.33) |
| Total | 4.48 | 3.37 |

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IRCON PB TOLLWAY LIMITED (CIN - U45400DL2014GOI272220)

9 Other Current Assets

(in Rs. crore)

| Particulars | As at 31st March 2019 | As at 31st March 2018 |
|---|-----------------------|-----------------------|
| a) Advances Other than Capital Advances | | |
| - Value Added Tax | - | 0.02 |
| - Goods & Services Tax | 2.45 | - |
| Total - Advances Other than Capital Advances | 2.45 | 0.02 |
| b) Others | | |
| Prepaid Expenses | 0.14 | 0.04 |
| Total - Others | 0.14 | 0.04 |
| c) Considered Doubtful | | |
| Total - Considered Doubtful | - | - |
| Grand Total | 2.59 | 0.06 |

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10 Equity Share capital

(In Rs. crore)

| Particulars | As at 31 March 2019 | As at 31 March 2018 |
|---|---------------------|---------------------|
| Authorised share capital | | |
| 17,50,00,000 Equity shares of Rs.10 each | 175.00 | 175.00 |
| | 175.00 | 175.00 |
| Issued/Subscribed and Paid up Capital | | |
| 16,50,00,000 Equity shares of Rs 10 each-fully paid | 165.00 | 165.00 |
| | 165.00 | 165.00 |

Details of shareholders holding in the company

| Name of the shareholder | As at 31 March 2019 | | As at 31 March 2018 | |
|--|-------------------------|------------------------|-------------------------|------------------------|
| | No. of Share (In Crore) | % holding in the class | No. of Share (In Crore) | % holding in the class |
| Ircon International Limited- Holding Company (IRCON) | 16.50 | 100.00 | 16.50 | 100.00 |
| Total | 16.50 | 100.00 | 16.50 | 100.00 |

Aggregate no. of equity shares issued as bonus, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date

Terms / Rights attached to Equity Shares :

(a) Voting

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

(b) Liquidation

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

Reconciliation of the number of equity shares and share capital

| Particulars | As at 31 March 2019 | | As at 31 March 2018 | |
|---|-------------------------|-------------|-------------------------|-------------|
| | No of shares (In Crore) | Rs In crore | No of shares (In Crore) | Rs in crore |
| Issued/Subscribed and Paid up equity Capital outstanding at the beginning of the year | 16.50 | 165.00 | 16.50 | 165.00 |
| Add: Shares Issued during the year | - | - | - | - |
| Less: Shares Buy Back during the year | - | - | - | - |
| Issued/Subscribed and Paid up equity Capital outstanding at the end of the year | 16.50 | 165.00 | 16.50 | 165.00 |



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11 Other Equity

(in Rs. crore)

| Particulars | As at 31 March 2019 | As at 31 March 2018 |
|--|---------------------|---------------------|
| Retained Earnings:- | | |
| Opening Balance | 3.92 | 3.10 |
| Add: Transfer from surplus in statement of profit and loss | -2.11 | 0.82 |
| Closing Balance | 1.81 | 3.92 |
| Grand Total | 1.81 | 3.92 |

Nature and Purpose of Other Reserves:

(a) Retained Earnings

Retained Earnings represents the undistributed profits of the Company.



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12 Financial Liabilities (Non Current)

12.1 Borrowings

| Particulars | (in Rs. crore) | |
|--|---------------------|---------------------|
| | As at 31 March 2019 | As at 31 March 2018 |
| Secured: | | |
| (a) Loan from Holding Company(Ircon International Limited) | 309.70 | 240.85 |
| Total | 309.70 | 240.85 |

Notes :

- (a) Details of Terms of repayments for the other short terms borrowings and security provided in respect of other secured long term borrowings:-

| Particulars and terms of security | (in Rs. crore) | |
|---|---------------------|---------------------|
| | As at 31 March 2019 | As at 31 March 2018 |
| IRCON International Limited (Secured Loan)-Secured by all immovable properties and hypothecation of moveable property of the borrower, Fees, Revenue, Project Agreement, Insurance Claim, Intangible Assets, ESCROW Account and other assets (Refer note b below) | 337.85 | 240.85 |
| Less : Current Maturities (Amount re- payable in next financial year)
Shown under note 13.1 - Financial Liabilities Current Borrowing | 28.15 | - |
| Amount Outstanding | 309.70 | 240.85 |

- (b) As per the sanction terms of the loan taken from IRCON International Limited , the interest payable is equivalent to SBI Base rate +0.50%, which presently is 9.15 p.a. payable monthly. Company has requested the parent company IRCON for extension in Loan repayment period, since the construction of the project has not yet been completed in line with the moratorium clause in the loan agreement.

12.2 Trade Payables

| Particulars | (in Rs. crore) | |
|--|---------------------|---------------------|
| | As at 31 March 2019 | As at 31 March 2018 |
| Micro, Small & Medium Enterprises (Refer Note no. 42) | - | - |
| Others | - | - |
| Other Contractor & Suppliers | - | - |
| (b) Related Parties (Refer note 23 and 36 (C) for details) | - | - |
| Total | - | - |








IRCON PB TOLLWAY LIMITED (CIN - U45400DL2014GOI272220)

13 Financial Liabilities (Current)

13.1 Borrowings

(in Rs. crore)

| Particulars | As at 31 March 2019 | As at 31 March 2018 |
|-----------------------------------|---------------------|---------------------|
| Loan From Holding Company - IRCON | 28.15 | - |
| Total | 28.15 | - |

13.2 Trade Payables

(in Rs. crore)

| Particulars | As at 31 March 2019 | As at 31 March 2018 |
|---|---------------------|---------------------|
| Micro, Small & Medium Enterprises (Refer Note no. 42) | - | - |
| Others | | |
| (a) Contractor & Suppliers | 1.24 | 0.24 |
| (b) Related Parties (Refer Note 23 and 36 (C)) | 1.41 | 19.12 |
| Total | 2.65 | 19.36 |



 The bottom section of the page contains several handwritten signatures in blue ink. A prominent circular blue stamp is visible, containing the text "NEW DELHI" and "CHARTERED ACCOUNTANTS". To the right of the stamp, the name "Shudodhani" is handwritten. Other signatures are scattered across the lower half of the page, including one that appears to be "Sanjay".

IRCON PB TOLLWAY LIMITED (CIN - U45400DL2014GOI272220)

Financial Liabilities (Current)

14 Other Financial Liabilities

(in Rs. crore)

| Particulars | As at 31 March 2019 | As at 31 March 2018 |
|--|----------------------------|----------------------------|
| Other Payables (including Staff Payable) | 1.06 | 0.42 |
| Total | 1.06 | 0.42 |

15 Other Current Liabilities

(in Rs. crore)

| Particulars | As at 31 March 2019 | As at 31 March 2018 |
|--------------------|----------------------------|----------------------------|
| Statutory dues | 2.42 | 2.42 |
| Total | 2.42 | 2.42 |

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16 Provisions

| Particulars | Foot Note | (in Rs. crore) | |
|---|-----------|---------------------|---------------------|
| | | As at 31 March 2019 | As at 31 March 2018 |
| Other Provisions | 16.10 | 150.21 | 0.07 |
| Less: Impairment Provision for Doubtful Assets (Presented Separately) | | 150.21 | 0.07 |
| Total | | 150.21 | 0.07 |

| | | |
|-------------|--------|------|
| Current | 150.21 | 0.07 |
| Non Current | - | - |

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

16.1 Other Provisions :

| Particulars | (in Rs. crore) | | | | | |
|-----------------------------------|---------------------------------|-------------|------------------|------------------|----------------|--------|
| | Corporate Social Responsibility | Maintenance | Foreseeable Loss | Design Guarantee | Other Expenses | Total |
| As at 31-March-2017 | | | | | | |
| Current | 0.04 | - | - | - | - | 0.04 |
| Non Current | - | - | - | - | - | - |
| Provision made during the year | 0.03 | - | - | - | - | 0.03 |
| Less: Utilization during the year | - | - | - | - | - | - |
| Less: Write Back during the year | - | - | - | - | - | - |
| As at 31-March-2018 # | | | | | | |
| Current | 0.07 | - | - | - | - | 0.07 |
| Non Current | 0.07 | - | - | - | - | 0.07 |
| Provision made during the year | - | - | - | - | - | - |
| Less: Utilization during the year | 0.07 | - | - | - | 150.21 | 150.21 |
| Less: Write Back during the year | - | - | - | - | - | 0.07 |
| As at 31-March-2019 | | | | | | |
| Current | - | - | - | - | 150.21 | 150.21 |
| Non Current | - | - | - | - | - | 150.21 |



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17 Revenue from operations

(in Rs. crore)

| Particulars | For the period ended
31st March 2019 | For the year ended
31st March 2018 |
|---|---|---------------------------------------|
| Construction Contract revenue under SCA (Refer Note 27) | 13.16 | - |
| Revenue from Toll Operations | 4.74 | - |
| Other Revenue
- Other Operating Revenue | 338.17 | 277.54 |
| Total | 356.07 | 277.54 |

18 Other Income

(in Rs. crore)

| Particulars | For the period ended
31st March 2019 | For the year ended
31st March 2018 |
|-----------------------------------|---|---------------------------------------|
| Interest Income : | | |
| Bank Interest Gross | 0.73 | 1.26 |
| Less:- Interest passed to clients | - | - |
| | 0.73 | 1.26 |
| Others : | | |
| Miscellaneous Income | 0.09 | 0.01 |
| Total | 0.82 | 1.27 |

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19 Project and Other Expenses

(in Rs. crore)

| Particulars | Foot Note | Project Expenses | | Other Expenses | |
|--|-----------|----------------------------------|------------------------------------|----------------------------------|------------------------------------|
| | | For the year ended 31 March 2019 | For the year ended 31st March 2018 | For the year ended 31 March 2019 | For the year ended 31st March 2018 |
| Work Expenses | | 158.27 | 255.09 | - | - |
| Toll Road Expenses | | 1.07 | - | - | - |
| Work Sub Contract (Change of Scope) | | 15.27 | - | - | - |
| Inspection, Geo Technical Investigation & Survey Exp. Etc. | | 2.03 | 2.42 | - | - |
| Repairs and Maintenance of Machinery | | 0.08 | - | - | - |
| Rent - Non-residential | | 0.09 | 0.07 | - | - |
| Rates and Taxes | | - | 0.04 | - | - |
| Power, Electricity and Water charges | | 0.99 | - | - | - |
| Insurance | | 0.52 | 0.35 | - | - |
| Travelling & conveyance | | 0.03 | 0.02 | - | - |
| Printing & stationery | | 0.01 | - | - | - |
| Postage, telephone & telex | | 0.02 | - | - | - |
| Legal & Professional charges | | 0.17 | 0.12 | - | 0.01 |
| Security services | | - | - | - | - |
| Auditors remuneration | (i) | - | - | 0.01 | 0.01 |
| Advertisement & publicity | | - | - | 0.04 | - |
| Corporate social responsibility (Refer Note 46) | | - | - | 0.05 | - |
| Miscellaneous expenses | | 0.07 | - | - | - |
| Provisions (Addition - Write Back) (Refer Note 16) | | 150.21 | 0.03 | - | - |
| Provisions Utilised (Refer Note 16) | | - | - | - | - |
| Total | | 328.83 | 258.14 | 0.10 | 0.02 |

(i) Payment to Statutory Auditors:

| Particulars | For the year ended 31 March 2019 | For the year ended 31st March 2018 |
|--|----------------------------------|------------------------------------|
| (a) Audit Fee - current year | 0.01 | 0.01 |
| (b) Tax Audit Fees - current year | - | - |
| (c) Fee for quarterly limited review | - | - |
| (c) Certification Fees | - | - |
| (d) Travelling & out of pocket expenses: | - | - |
| - Travelling Expenses | - | - |
| - Out of Pocket Expenses | - | - |
| Total | 0.01 | 0.01 |







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20 Employee Remuneration and Benefits

(In Rs. crore)

| Particulars | For the year ended
31st March 2019 | | | For the year ended
31st March 2018 | | |
|---|---------------------------------------|---------------------------|-------------|---------------------------------------|---------------------------|-------------|
| | Operating | Other
(Administrative) | Total | Operating | Other
(Administrative) | Total |
| Salaries, wages and bonus* | 2.36 | - | 2.36 | 2.27 | - | 2.27 |
| Contribution to provident and other funds | 0.14 | - | 0.14 | 0.17 | - | 0.17 |
| Foreign service contribution | - | - | - | - | - | - |
| Retirement Benefits | 0.29 | - | 0.29 | 0.32 | - | 0.32 |
| Staff Welfare | - | - | - | - | - | - |
| Total | 2.79 | - | 2.79 | 2.76 | - | 2.76 |

* (Refer Note 37 for Details of Remuneration to Directors and Key Managerial Personnel)

21 Finance Cost

(In Rs. crore)

| Particulars | For the year ended
31st March 2019 | | For the year ended
31st March 2018 | |
|---|---------------------------------------|--------------|---------------------------------------|--------------|
| Interest Expense on Loan from IRCON | 25.22 | | 16.64 | |
| Less:- Interest earned on Loan funds | 0.01 | | 0.04 | |
| Net Interest Expense on Loan | 25.21 | | 16.60 | |
| Less: Interest on Advance to Rail Land Development Authority (RLDA) | - | 25.21 | - | 16.60 |
| Other Borrowing Cost | | | | |
| - Bank Guarantee & Other Charges | | 0.01 | | 0.03 |
| Total | | 25.22 | | 16.63 |

22 Depreciation, amortization and Impairment

(in Rs. crore)

| Particulars | For the year ended
31st March 2019 | For the year ended
31st March 2018 |
|-------------------------------|---------------------------------------|---------------------------------------|
| Property, Plant and equipment | - | - |
| Intangible Assets | 2.77 | - |
| Investment Property | - | - |
| Impairment of Assets | - | - |
| Total | 2.77 | - |



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23. Details of Related Party Transactions during the year

(Amt in Crores)

| Name of Related Party | Particular | Transactions (Rs.) | | Outstanding Amount | | |
|-----------------------------|----------------------------------|----------------------------------|----------------------------------|---------------------|---------------------|--|
| | | During the year ended 31-03-2019 | During the year ended 31-03-2018 | As at 31st March 19 | As at 31st March 18 | |
| Ircan International Limited | Investment in Equity | | | 165.00 | 165.00 | |
| | Loans | 97.00 | 160.85 | 337.85 | 240.85 | |
| | Other Payables - Project | | | 1.41 | 19.12 | |
| | Other Payables - Head office | | | 0.80 | 0.41 | |
| | Other receivables | | - | - | - | |
| | Rendering of services | | | | | |
| | Works Contract (excl GST) | 154.91 | 237.47 | | | |
| | Utility Shifting (excl GST) | - | 6.31 | | | |
| | Rent (excl GST) | 0.02 | 0.02 | | | |
| | Interest On Loan | 25.22 | 16.64 | | | |
| | Interest On Mobilization Advance | - | - | | | |
| Reimbursement of Expenses | 1.29 | 1.42 | | | | |

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Note:- 24

A. Fair Value Measurements

(i) Category wise classification of Financial Instruments

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

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

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3: Unobservable inputs for the asset or liability

a) The carrying values and fair values of financial instruments by categories as at 31 March, 2019 are as follows: *

| Particulars | Carrying Value | Fair Value | | |
|---|----------------------|------------|---------|---------|
| | | Level 1 | Level 2 | Level 3 |
| Financial Assets at Fair Value Through Profit and Loss ('FVTPL') | | | | |
| Investment in Mutual Funds | - | - | - | - |
| Total | - | - | - | - |
| Financial Assets at Amortized Cost | | | | |
| (i) Investments | | | | |
| Investments in Subsidiaries and Joint Venture** | - | - | - | - |
| Investments in Tax Free Bonds (including accrued interest) | - | - | - | - |
| (ii) Loans | 3,200 | - | - | - |
| (iii) Trade Receivables | 151,485,769 | - | - | - |
| (iv) Cash and Cash Equivalents | 12,085,700 | - | - | - |
| (v) Other Bank Balances | - | - | - | - |
| (vi) Other Financial Assets*** | 1,137,822,630 | - | - | - |
| Total | 1,302,197,299 | - | - | - |

| Particulars | Carrying Value | Fair Value | | |
|--|----------------------|------------|---------|---------|
| | | Level 1 | Level 2 | Level 3 |
| Financial Liabilities at Amortized Cost | | | | |
| (i) Borrowings | 3,378,500,000 | - | - | - |
| (ii) Trade Payables | 26,569,108 | - | - | - |
| (iii) Other Financial Liabilities*** | 10,644,841 | - | - | - |
| Total | 3,415,713,949 | - | - | - |

b) The carrying values and fair values of financial instruments by categories as at 31 March, 2018 are as follows: *

| Particulars | Carrying Value | Fair Value | | |
|---|----------------------|------------|---------|---------|
| | | Level 1 | Level 2 | Level 3 |
| Financial Assets at Fair Value Through Profit and Loss ('FVTPL') | | | | |
| Investment in Mutual Funds | - | - | - | - |
| Total | - | - | - | - |
| Financial Assets at Amortized Cost | | | | |
| (i) Investments | | | | |
| Investments in Subsidiaries and Joint Venture** | - | - | - | - |
| Investments in Tax Free Bonds (including accrued interest) | - | - | - | - |
| (ii) Loans | 332,430 | - | - | - |
| (iii) Trade Receivables | - | - | - | - |
| (iv) Cash and Cash Equivalents | 153,088,735 | - | - | - |
| (v) Other Bank Balances | 200,000,000 | - | - | - |
| (vi) Other Financial Assets*** | 1,155,739,737 | - | - | - |
| Total | 1,509,160,903 | - | - | - |



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| Particulars | Carrying Value | Fair Value | | |
|--|----------------------|------------|---------|---------|
| | | Level 1 | Level 2 | Level 3 |
| Financial Liabilities at Amortized Cost | | | | |
| (i) Borrowings | 2,408,500,000 | - | - | |
| (ii) Trade Payables | 193,370,242 | - | - | |
| (iii) Other Financial Liabilities*** | 4,159,569 | | | |
| Total | 2,606,029,811 | | | |

The fair values of the financial assets and financial liabilities are defined as the price that would be received on sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Methods and assumptions used to estimate the fair values are consistent with those used for the financial year 2017-18. The following methods and assumptions were used to estimate the fair values

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

* During the financial year 2018-19 and 2017-18, there were no transfers between Level 1, Level 2 and Level 3 fair value measurements.

**Investment in subsidiaries and joint ventures are measured at cost.

*** Other financial assets and other financial liabilities includes certain items which are recognized at transaction price, as the effect of measuring these at fair value is immaterial.

B. Financial Risk Management

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

a) Market Risk

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

(i) Foreign Currency Risk

The company operates internationally and is exposed to insignificant foreign currency risk (since receipts & payments in foreign currency are generally matched) arising from foreign currency transactions, primarily with respect to the US \$, EURO, YEN, BDT, DZD, LKR, MZN, BTN, ZAR, NPR and MYR. Significant foreign currency risk of company are naturally hedged.

As of March 31, 2019 and March 31, 2018, every 1% increase or decrease of the respective foreign currency would impact our profit before tax by Nil and Nil respectively

(ii) Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instruments will fluctuate because of change in market interest rate. The company manages its interest risk in accordance with the companies policies and risk objective. Financial instruments affected by interest rate risk includes tax free bonds and deposits with banks. Interest rate risk on these financial instruments are very low as interest rate is fixed for the period of financial instruments. Also, the Company does not have any interest risk on loans / borrowings as it bears fixed rate of interest.



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b) Credit Risk

The Company's customer profile include Ministry of Railways, Public Sector Enterprises, State Owned Companies in India and abroad. Accordingly, the Company's customer credit risk is low. The Company's average project execution cycle is around 24 to 36 months. General payment terms include mobilisation advance, monthly progress payments with a credit period ranging from 45 to 60 days and certain retention money to be released at the end of the project. In some cases retentions are substituted with bank / corporate guarantees. The Company has a detailed review mechanism of overdue customer receivables at various levels within organisation to ensure proper attention and focus for realisation.

Trade and other receivable

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

Exposure to Credit Risk

| Particulars | (in Rs.) | |
|--|------------------|------------------|
| | 31-Mar-19 | 31-Mar-18 |
| Financial Assets for which allowance is measured using Lifetime Expected Credit Losses (LECL) | | |
| Non Current Investments | - | - |
| Non Current Loans | 3,200.00 | 3,200.00 |
| Other Non Current Financial Assets | 9,964,440.00 | 9,617,625.00 |
| Current Investments | - | - |
| Cash and Cash Equivalents | 12,885,700.20 | 153,088,735.35 |
| Other Bank Balances | - | 200,000,000.00 |
| Current Loans | - | 329,230.00 |
| Other Current Financial Assets | 1,127,858,189.91 | 1,146,122,112.37 |
| Financial Assets for which allowance is measured using Simplified Approach | | |
| Trade Receivables | 151,485,769.26 | - |
| Contract Assets | - | - |

Summary of change in loss allowances measured using Simplified approach

| Particulars | 31-Mar-19 | 31-Mar-18 |
|-----------------------------|-----------|-----------|
| Opening Allowances | - | - |
| Provided during the year | - | - |
| Utilization during the year | - | - |
| Amount written-off | - | - |
| Closing Allowances | - | - |

During the year, the Company has recognised loss allowance of Rs. Nil (31 March, 2018 : Rs. Nil).

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

| Particulars | 31-Mar-19 | 31-Mar-18 |
|--|-----------|-----------|
| Opening Allowances | - | - |
| Provided during the year | - | - |
| Utilization during the year | - | - |
| Amount written-off
(Exchange Gain) / Loss | - | - |
| Closing Allowances | - | - |

No significant changes in estimation techniques or assumptions were made during the reporting period.
During the year, the Company has recognised loss allowance of Rs. NIL (31 March, 2018 : Rs. NIL).



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c) Liquidity risk

The Company manages liquidity risk by maintaining sufficient cash and marketable securities and by having access to funding through an adequate amount of committed credit lines. The treasury department regularly monitors the position of Cash and Cash Equivalents vis-à-vis projections. Assessment of maturity profiles of financial assets and financial liabilities and maintenance of Balance Sheet liquidity ratios are considered while reviewing the liquidity position.

The Company's investment policy and strategy are focused on preservation of capital and supporting the Company's liquidity requirements. The senior Management of the Company oversees its investment strategy and achieve its investment objectives. The Company typically invests in government of India debt bonds and mutual funds. The policy requires investments generally to be investment grade, with the primary objective of minimising the potential risk of principal loss.

The NHAI bonds bear a fixed rate of interest thus they are not affected by the change in bond yield rates and the mutual funds are highly liquid assets which are paid out monthly and re-invested.

The table below provides details regarding the significant financial liabilities as at 31 March 2019 and 31 March 2018

| Particulars | As on 31 March, 2019 | | |
|-----------------------------|----------------------|---------------|-------------------|
| | Less than 1 Year | 1-2 years | 2 Years and above |
| Borrowings | 970,000,000 | 1,608,500,000 | 800,000,000 |
| Trade payables | 28,569,108 | - | - |
| Other financial liabilities | 10,844,841 | - | - |

| Particulars | As on 31 March, 2018 | | |
|-----------------------------|----------------------|-------------|-------------------|
| | Less than 1 Year | 1-2 years | 2 Years and above |
| Borrowings | 1,608,500,000 | 800,000,000 | - |
| Trade payables | 193,370,242 | - | - |
| Other financial liabilities | 4,159,569 | - | - |

d) Excessive risk concentration

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

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

C. Capital Management

The objective of the Company is to manage its capital in a manner to ensure and safeguard their ability to continue as a going concern so that company can continue to provide maximum returns to share holders and benefit to other stakeholders. Further, company manages its capital structure to make adjustments in the light of changes in economic conditions and requirements of the financial covenants.

Company has taken a term loan during the FY 2018-19 of Rs 970,000,000/- (Cumulative till FY 2018-19 Rs 3,378,500,000) from its holding company to finance its project.

| Particulars | Dividends :- | |
|---------------|--------------|-----------|
| | 31-Mar-19 | 31-Mar-18 |
| Dividend Paid | - | - |
| Total | - | - |

| Particulars | Debt Equity Ratio :- | |
|----------------------------|----------------------|---------------|
| | 31-Mar-19 | 31-Mar-18 |
| Borrowings (Note No. 11.1) | 3,096,958,333 | 2,408,500,000 |
| Long Term Debt | 3,096,958,333 | 2,408,500,000 |
| Equity (Note No. 9) | 1,650,000,000 | 1,650,000,000 |
| Other Equity (Note No. 10) | 18,072,840 | 39,294,311 |
| Total Equity | 1,668,072,840 | 1,689,294,311 |
| Debt Equity Ratio | 2 | 1 |



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25 & 26 - Basic & Diluted Earnings per share (EPS)

| Particulars | Figures in Crores | |
|--------------------------------|-----------------------|-----------------------|
| | As at 31st March 2019 | As at 31st March 2018 |
| Basic EPS (Note 25 - (A)/(B)) | -0.13 | 0.05 |
| Diluted EPS (Note -26 (C)/(D)) | -0.13 | 0.05 |

Profit Attributable to Equity Shareholder

| Particulars | Figures in Crores | |
|---|-----------------------|-----------------------|
| | As at 31st March 2019 | As at 31st March 2018 |
| Profit attributable to equity holders: | | |
| Continuing operations | -2.11 | 0.82 |
| Discontinued operation | - | - |
| Profit attributable to equity holders for Basic Earning Per Share (A) | -2.11 | 0.82 |
| Interest on convertible preference shares | - | - |
| Profit attributable to equity holders adjusted for the effect of dilution (C') | -2.11 | 0.82 |

Weighted Average No of Share

| Particulars | Figures in Crores | |
|--|-----------------------|-----------------------|
| | As at 31st March 2019 | As at 31st March 2018 |
| Weighted average number of Equity shares for basic EPS* (B) | 16.50 | 16.50 |
| Effect of dilution: | | |
| Share Application Money pending Allotment | - | - |
| Convertible preference shares | - | - |
| Weighted average number of Equity shares adjusted for the effect of dilution* (D) | 16.50 | 16.50 |

* The weighted number of equity shares for the purpose of diluted earnings per share reconciles to the weighted average number of equity shares used in calculation of basic earning per share.

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Praveen Prakash & Co. Chartered Accountants, New Delhi

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Note:-27

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

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

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

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

Ircon PB Tollway Limited (IPBTL) (the operator) has entered into a service concession arrangement with National Highway Authority of India (NHAI) dated 7th November 2014 in terms of which NHAI (the grantor) has authorized the company to develop, finance, design, engineer, procure, construct, operate and maintain the Project of four laning of Bikaner Palaudi Section and to exercise and/or enjoy the rights, powers, benefits, privileges authorizations and entitlements upon its completion. In terms of the said agreement IPBTL has an obligation to complete construction of the project of four laning of Bikaner Palaudi section and to keep the project assets in proper working condition including all projects assets whose lives have expired.

The Concession period shall be 26 years commencing from the appointment date which is 14th October 2015. At the end of the concession period, the assets will be transferred back to National Highway Authority of India (NHAI). In case of material breach in terms of agreement the NHAI and Ircon PBTL have right to terminate the agreement if they are not able to cure the event of default in accordance with such agreement.

The Company recognizes revenue and cost in accordance with Ind AS 115 by reference to the construction's stage of completion. The Company measures contract revenue at the fair value of the consideration receivable. During the arrangement's construction phase, the Company's assets of 520.76 crores (representing its accumulating right to be paid for providing construction services minus the Equity support due from NHAI) is classified as an intangible assets (license to charge user of the infrastructure). Since the provisional COD has been received on 15.02.19 for 95.96% physical completion, Intangible asset has been created upto that extent. Rs 4.88 Crores is lying as Intangible Assets under development. The Company has recognized revenue of Rs. 356.07 Crores consisting of Rs 338.17 Crores on construction of intangible assets under service concession agreement and a further Rs 13.16 Crores as construction services for change in scope of services (COS), which is realisable from NHAI for the year ended 31.03.19. The Company has recognized nil profit on construction of intangible assets under service concession arrangement. The revenue recognized in relation to construction of intangible assets under service concession arrangement represents the fair value of services provided towards construction of intangible assets under service concession arrangement. The operation of toll road has commenced from 15th Feb 2019 after 95.96% physical completion of the Toll Road, and the company has recognised usage fee as revenue of Rs. 4.74 Crores from operation of toll roads.

Usage fee collected over and above the traffic cap as per the concession agreement is termed as excess fee. Since the Toll Road has not yet been 100% completed and impact of excess fee at present is not ascertainable, no provision or assessment of the same has been done.

Construction Contracts

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

| Particulars | Amount in Rs Crores | |
|---|---------------------|------------|
| | 31.03.2019 | 31.03.2018 |
| Revenue recognized from construction services | 351.33 | 277.54 |
| Revenue recognised from toll-Usage fee | 4.74 | - |
| Aggregate amount of cost incurred and recognized in Profit/Loss | 351.33 | 277.54 |
| Gross amount due from Client for Contract Works | 14.74 | - |

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28 Contingent Liabilities and Contingent Assets:

(I) Contingent Liabilities :-

- (a) Claims against the company not acknowledge as debt; Rs. NIL (Previous Year - Rs. NIL)

(II) Contingent Assets :- NIL

29 Commitments:

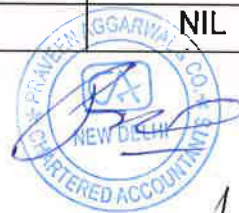
- a) Estimated amount of contracts remaining to be executed on capital account (net of advances) is **Rs.214.55 Crores** (Previous Year - Rs.145.92 Crore).
- b) There are certain claims against the Company not acknowledged as debt of Rs. 7.20 crore (Rs. 7.20 crore) net of provisions of Rs. NIL crore (Rs. NIL crore). Due to operational issues (delay in approval of drawings, demand of local villagers, utility shifting, land acquisition and availability, forest clearance etc.), there are delays in achieving project milestone. Company has filed a request to NHAI for modification of milestone timelines under clause 12.4.2 of the concession agreement without damage / financial implication on part of the company. Company has received an intimation from the Independent Engineer regarding the delay in achieving milestone. Further, NHAI has deducted a sum of Rs. 7.20 Crores on account of damages upto **31st March 2019 (Rs. 7.20 Crs till 31st March 2018)**. The Company is already communicated to NHAI that delay is not attributable to IPBTL. Hence, IPBTL has not recognized claim against the delay as a liability or a contingent liability.

Amount of Rs. 7.20 Crs is considered good as other receivables under other financial assets- current and is yet to be received from / confirmed by NHAI.

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

32 (a) Foreign exchange recognized in the statement of profit and loss:

| Particulars | (Rs in crore) | |
|--------------------------------|---------------|------------|
| | 2018-19 | 2017-18 |
| i) Profit or loss | NIL | NIL |
| ii) Other Comprehensive Income | NIL | NIL |
| TOTAL | NIL | NIL |



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- (b) Disclosure of unhedged foreign currency exposure :- NIL
- (c) Earnings in foreign currency (on accrual basis):- NIL
- (d) Expenditure in foreign currency (on accrual basis):- NIL
- (e) CIF value of Imports:- NIL
- (f) Material & store consumed:- NIL

33 Disclosure regarding Leases:

I. Assets taken on operating lease:

The Company's leasing arrangements are in respect of operating leases of premises for residential use of employees, offices, guesthouses and transit camps. Most of the leasing arrangements are cancellable and are usually renewable on mutually agreed terms. The amounts of lease payments during the year are as under:

- (a) Lease payments (net of recoveries) in respect of premises for residential use of employees – Rs. NIL (Previous Year - Rs. NIL)
- (b) Lease payments in respect of office premises, guesthouses and transit camps – Rs.0.09 Crores (Previous Year - Rs.0.06 crore) (included in Project expenses & other expenses Note 19)

II. Assets given on operating lease: NIL

34 Segment Reporting:

A. General Information:

- (i) The Company has determined reportable operating segments from geographical perspective.
- (ii) Operating segments are reported in the manner consistent with the internal reporting provided by the chief decision maker. Company has identified only one reportable segment.

35 Interest in other Entities - NIL

36 Related Party disclosures: Related party to be identified as per IND AS

- a) Enterprises where control exists:- 100% of holding of IPBTL is with Ircon International Limited.

Holding Company: -

- Ircon International Limited



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b) Key Management Personnel:

CEO: Mr Ajay Kumar Singh was deputed as the Chief Executive Officer of the company w.e.f 27.02.2015. He ceased to act as Chief Executive officer w.e.f 27.02.2019. Thereafter Mr. Atul Kumar was nominated as Chief Executive Officer of the Company w.e.f from 27.02.2019 till the end of the financial year in place of Shri Ajay Kumar Singh.

Mr Atul Kumar ceased to be the Chief Executive Officer w.e.f 10.4.2019 after which Mr. M. K. Sharma has been nominated as Chief Executive Officer and Key Managerial Personnel of the Company, w.e.f 10th April 2019.

CFO: Mr.Sanjay Poddar has been deputed by the holding company as Chief Financial Officer of the Company, and was declared as Key Managerial Personnel (KMP) of the Company w.e.f.20th February 2018.

Company Secretary: - Ms. Shudhodhani is designated as Company Secretary of the Company w.e.f 17th March 2015.

c) Disclosure of transactions with related parties:

| Particulars | Transactions during the year | | (Rs. in crore)
Particulars of Contracts/
Arrangements |
|--|------------------------------|---------------|---|
| | 2018-19 | 2017-18 | Nature of Transaction |
| 1. Remuneration to key management personnel (b above) & Sitting Fees to other Directors | As per Note 37 (Below) | | |
| 2. Purchase of Goods & Services (including CSR expenses) / Lease of PPE / Any other transaction | | | |
| Holding Company | | | |
| Ircon International Limited | 154.91 | 237.46 | EPC Contract |
| Ircon International Limited | 0.00 | 6.31 | Utility shifting |
| Ircon International Limited | 0.02 | 0.02 | Rent |
| Ircon International Limited | 25.22 | 16.64 | Interest on Loan |
| Total | 180.15 | 260.43 | |
| 2. Loan from Holding Company | | | |
| Ircon International Limited- Disbursed | 97.00 | 160.85 | Loan received by the company |
| | | | |
| 5. Reimbursement of deputation staff expenses, rent & other misc. expenses (Income) | 1.29 | 1.42 | |

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Disclosure of amount due to/from related parties

(Rs in crore)

| Particulars | Amount | |
|---|-----------------------------------|-----------------------------------|
| | As at 31 st March 2019 | As at 31 st March 2018 |
| Amount Payable | | |
| 1) For Services and Other Expenses | | |
| Ircon International limited | 2.21 | 19.52 |
| 2) Loans outstanding | | |
| Ircon International Limited | 337.85 | 240.85 |

37 Details of remuneration to Directors*/ Key Managerial Personnel:

(Rs. in crore)

| Sr. | Particulars | 2018-19 | 2017-18 |
|-----|---|-------------|-------------|
| I | Salary & allowances* | 0.55 | 0.51 |
| II | Contribution to provident fund, pension | 0.04 | 0.04 |
| III | Reimbursement of medical expenses | 0.00 | 0.00 |
| IV | Sitting fee | 0.00 | 0.00 |
| V | Other benefits | 0.16 | 0.04 |
| | TOTAL | 0.75 | 0.59 |

*IrconPBTL has five Part-time (Nominee) Directors during the financial year 2018-19, nominated on the Board by the holding company, IRCON, and no remuneration is payable to such Part-time Directors. Further, the said Part-time Directors are not paid any sitting fees.

- 38 Company has received provisional COD (Commercial Operation Date) on 15th Feb 2019. Since the operations have just started and final COD not received, company has decided to carry out assessment on impairment of assets by working out the recoverable amount based on lower of the net realizable value and carrying cost in terms of Ind AS 36, "Impairment of Assets" notified under section 13 of the companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian accounting standards) Amendment Rules 2016 from next year onwards.

39 Disclosure under Ind AS-19 on Employee benefits

The employees working for Ircon PB Tollway Limited (IPBTL) are posted on deputation / secondment and are on the rolls of Ircon International Limited, the Holding Company. Their PF contributions, pension contributions, gratuity, leave encashment and other retirement benefits have been accounted for on the basis of invoices / debit advises from its holding company. The provision for gratuity and other retirement benefits of

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employees on deputation in terms of IND AS-19 is being made by its Holding Company as per its accounting policies.

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

40 Disclosure under IndAS-115 on Revenue from contracts with Customers*

(a) Disaggregation of Revenue

Below is the disaggregation of the Company's revenue from contracts with customers:
(Rs. in crore)

| | For the year ended March 31, 2019 | | |
|--|-----------------------------------|---------------|---------------|
| Type of goods or service | Railways | Highway | Total |
| Timing of satisfaction of performance obligation: | | | |
| Over time | - | 351.32 | 351.32 |
| At a point in time | - | 4.74 | 4.74 |
| Total | - | 356.06 | 356.06 |
| Method for measuring performance obligation: | | | |
| Input method | - | 356.06 | 356.06 |
| Output method | - | - | - |
| Total | - | 356.06 | 356.06 |
| Geographical markets: | | | |
| Domestic | - | 356.06 | 356.06 |
| International | - | - | - |
| Total | - | 356.06 | 356.06 |
| | For the year ended March 31, 2018 | | |
| Type of goods or service | Railways | Highway | Total |
| Timing of satisfaction of performance obligation: | | | |
| Over time | - | 277.54 | 277.54 |
| At a point in time | - | - | - |
| Total | - | 277.54 | 277.54 |
| Method for measuring performance obligation: | | | |

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|------------------------------|---|---------------|---------------|
| | | | |
| Input method | - | 277.54 | 277.54 |
| Output method | - | - | - |
| Total | - | 277.54 | 277.54 |
| Geographical markets: | | | |
| Domestic | - | 277.54 | 277.54 |
| International | - | - | - |
| Total | - | 277.54 | 277.54 |

(b) The reconciliation of the revenue from contracts with customers with the amounts disclosed in the segment information:

Revenue from Segment Reporting is Rs 356.06 Crore (Rs.277.54 Crore).

(c) The Company has applied modified retrospective approach for the application of Ind AS 115 "Revenue from contracts with customers" and the effect is nil on retained earnings as at April 1, 2018.

(d) Contract Balances:

| Particulars | (Rs. in crore) | |
|------------------------------|----------------|----------------|
| | March 31, 2019 | March 31, 2018 |
| Trade Receivables (Note 7.1) | 15.14 | 0 |
| Contract Assets | 0 | 0 |
| Contract Liabilities | 0 | 0 |

- (i) Trade receivables are non-interest bearing and the customer profile includes National Highway Authority of India (NHAI). The Company's average project execution cycle is around 24 to 36 months. General payment terms include payments for utility shifting reimbursements and change in scope of work mutually agreed upon if any, with a credit period ranging from 60 to 180 days or when the work is certified. Project being executed by the Company is under BOT (Built operate transfer) model and the payments are on account of Toll Collection and additional works by NHAI if any.
- (ii) Contract Assets are recognised over the period in which services are performed to represent the Company's right to consideration in exchange for goods or services transferred to the customer. It includes balances due from customers under construction contracts that arise when the Company receives payments from customers as per terms of the contracts however the revenue is recognised over the period under input method. Any amount previously recognised as a contract asset is reclassified to trade receivables on satisfaction of the condition attached i.e. future service which is necessary to achieve the billing milestone.

| Particulars | (Rs. in crore) | |
|--|----------------|----------------|
| | March 31, 2019 | March 31, 2018 |
| Contract Assets at the beginning of the year | NIL | NIL |
| Contract Assets at the end of the year | NIL | NIL |

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

| Particulars | (Rs. in crore) | |
|---|----------------|----------------|
| | March 31, 2019 | March 31, 2018 |
| Contract Liabilities at the beginning of the year | NIL | NIL |
| Contract Liabilities at the end of the year | NIL | NIL |

(e) Revenue recognised in the period from:

- (i) The following table shows how much of the revenue recognised in the current reporting period relates to brought-forward contract liabilities.

| Particulars | (Rs. in crore) | |
|--|----------------|----------------|
| | March 31, 2019 | March 31, 2018 |
| Amount received as Advance in Construction Contracts | NIL | NIL |
| Amount due to Customers | NIL | NIL |

- (ii) There was no revenue recognised in the current reporting period that related to performance obligations that were satisfied in a prior year.

(f) Provision for Major maintenance

Since the entire Toll Road has not yet achieved both physical and financial completion at the end of the reporting period, assessment of cost for major maintenance work over the life of the Toll Road project under operation is not ascertainable. No provision for the same has therefore been made during the current reporting period.

(g) Unsatisfied long-term contracts

The following table shows unsatisfied performance obligations resulting from long-term construction contracts:

| Particulars | (Rs. in crore) | |
|--|----------------|----------------|
| | March 31, 2019 | March 31, 2018 |
| Aggregate amount of the transaction price allocated to long-term construction contracts that are partially or fully unsatisfied as at 31 March | NIL | NIL |

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*As permitted under the transitional provisions in Ind AS 115, the transaction price allocated to (partially) unsatisfied performance obligations as of March 31, 2018 is not disclosed.

Management expects that transaction price allocated to the unsatisfied contracts as of March 31, 2019 will be recognised as revenue in the future as follows:

| (Rs. in crore) | |
|-------------------------------|-----|
| March 31, 2019** | |
| In one year or less | NIL |
| More than one year to 2 years | |
| More than 2 years | |
| Total | |

**The amount disclosed above does not include variable consideration which is constrained.

- 41 a) Company has received provisional Commercial Operation Date (COD) on 15th Feb 2019 for work awarded by NHAI for widening and strengthening of the existing Bikaner – Phalodi Section to 4 lane from Km. 4.200 to Km. 55.250 and 2 Lane with Paved shoulder from Km. 55.250 to Km. 163.50 of NH 15 in the state of Rajasthan on DBFOT (Design, Built, Finance, and Operate & Transfer) basis.

Company has completed physical progress as per certified Independent Engineer's assessment for the month of Feb 19 at 95.93%. The estimated total Engineering Procurement Construction (EPC) Contract cost, for the Toll road has been revised and approved by management for a total value of Rs 807.84 Crores (including taxes). The proportionate value based on the physical progress comes to Rs 774.96 Crores. Company has accordingly transferred from Right under development to Intangible Assets – Road by Rs. 774.96 Crores. Further, other expenses incurred upto 15th Feb 2019 of Rs. 54.57 crores including interest on loan of Rs. 39.18 crores is also transferred from Right under development to Intangible Assets – Road.

(b) During the month of March 2019, physical progress has increased by 0.58 % (from 95.93% to 96.51%). Company has not received work bill from its subcontractor for work done, hence created provision of Rs. 4.88 Crs. under Intangible Assets under Development. Further, other expense of Rs 0.20 Crores including interest on loan for the month of March 2019 is capitalized under Intangible right under development (apportioned between the balance remaining work of 4.07% and Company Toll operations).

- c) As per Indian Accounting Standard (Ind AS) 115 Annexure C, on Accounting for Service concession agreements – Cash Support from NHAI are recognized at their fair value where there is a reasonable assurance that the grant - Cash support will be received and the company will comply with all attached conditions. The Accounting treatment of the same has been made as per the mentioned Ind AS 115.

Company has raised Debt of Rs. 337.85 Crores upto 31st March 2019 and proportionate amount of grant recognized by the company as per service concession








agreement is Rs. 313.85Cr (previous year Rs. 223.74 Crores) based on the Original project cost and original financial package. The same has been considered as due. Further company has reduced Intangible Assets – Road by amount of grant recognized.

Out of total amount due, company has received Rs. 210.46 crore upto 31st March 2019. Balance amount of Rs. 103.39 Crore (Including Rs 88 Lacs on account of Money Withheld) is still receivable from NHAI.

Out of balance receivable above, NHAI has for the time being not released an amount of Rs12.40 Crores on account of Rs 7.20 crore for damages for delay and Rs. 5.2 Crores of Equity Support not considered by NHAI for different methodology of calculation (IPBTL availed Rs 17 Crores as Loan before availing of Equity). The matter related to damages as mentioned in note no. 29(b) above has not been agreed by IPBTL. Similarly for the other amount of non-consideration of Rs 17 Crores in the calculation of the equity support has also not been agreed by IPBTL. Hence total amount receivable from NHAI (subject to confirmation) of Rs. 103.39 Crores (Including Rs 88 Lacs on account of Money Withheld) is reflected in the books of accounts as considered good.

- d) As per Service Concession Agreement entered with NHAI, Company need to undertake the work of shifting of utility including electric lines, water pipes and telephone cables, if such utility cause a material adverse effect on the construction, operation and maintenance of the project. The cost of shifting of such utility shall be borne by the Authority (NHAI) or by the entity owing the utility.

Company has subcontracted the entire work of Utility Shifting to IRCON International Limited on back to back basis after approval from NHAI. Upto 31st March 2019, IRCON International Limited has billed an amount of Rs. 34.68 crores- (upto 31.03.2018 – Rs 41.24 crores to the company. Company has filed claims to NHAI from time to time and the same is under reconciliation. An amount of Rs. 26.53 crores (Incl TDS) has been received from NHAI till 31st March 2019 against these claims. Balance amount of Rs. 8.66 Crs is considered as other receivables under other financial assets- current and is under reconciliation with the NHAI and is yet to be received from / confirmed by NHAI.

Further, Labour cess on Utility shifting expenses is deducted by NHAI on bill raised by the company as well as deducted by company on bill raised by Ircon International Limited.

Since NHAI is deducting Labour cess, company has excess deducted labour cess again on Utility Shifting amounting to Rs. 30.50 Lacs

Company has shown excess amount of Labour cess deposited under other recoverables current and same will be adjusted from next invoice of Ircon International Limited. Labour cess is payable on entire project value.

- e) An amount of VAT on works contract receivable for Rs 57.47 Lakhs is appearing in other current assets being the VAT deducted by NHAI in the previous VAT regime on utility shifting. Efforts are being made for recovery of the same from the Client / Tax Department. Recovery of amount due from NHAI on account of Utility shifting is

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under reconciliation.

- f) The company has not recognized retention money at its Fair Value in accordance with IND AS 109. Amount of retention money is Rs. 95.78 Lakhs and shown under "Other financial assets - Non Current". As per the management the impact of fair value is marginal and also non recognition at fair value is consistent with Company's group accounting policies. Further Rs 88 Lakhs pertaining to money withheld by Client from the equity support receivable from NHAI is under other financial assets (current).
- g) During the year, company has received approval from NHAI for 'Change of Scope'. As per the Article 16.3.2 of the Service Concession Agreement, 0.25% of the total project cost shall be borne by IPBTL and the balance shall be reimbursed by the NHAI. Company has raised invoice to NHAI for work done under Change of Scope of Rs. 17.09 Crore and recognized as revenue. Amount of Rs. 14.74 Crore is considered as trade receivable and is under reconciliation with the NHAI and is yet to be received from / confirmed by NHAI.
- 42 The Company has received information from its suppliers of their being covered under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) as disclosed in note no 13.2. Based on this information, there are Rs. NIL. (Rs. NIL) amounts due to Micro, Small and Medium Enterprises as at 31st March 2019.
- 43 CSR Expenditure undertaken for Financial Year 2018-19 (in terms of Section 135 of Companies Act, 2013) is of the value of Rs. 12,76,712/- including Rs. 11,84,045/- expended towards development of educational infrastructure in Government Schools located at Bikaner-Phalodi Highway Project and Rs. 92,667/- towards Contribution to Swachh Bharat Kosh. The CSR amount expended for FY 18-19 includes provision for previous financial years 2016-17 and 2017-18 carried forward amounting to Rs. 7,49,573/-, CSR expenditure computed for FY 18-19 and additional CSR Expenditure computed on account of Ind AS adjustments. In terms thereby, the entire CSR amount has been expended in FY 2018-19.
- (i) During the year, Company has spent **Rs.0.13 crore** (Rs. NIL crore) on Corporate Social Responsibility (CSR) activities. Break up of expenditure incurred is as follows

(Rs. in crore)

| Sr. No. | Description | 2018-19 | 2017-18 |
|---------|---|---------|---------|
| 1. | Eradicating hunger, poverty & malnutrition, promoting preventive healthcare & sanitation & making available safe drinking water | NIL | NIL |
| 2. | Promoting Education, including special education and employment enhancing vocation skills especially among children. | NIL | NIL |
| 3. | Setting up homes and hostels for women and orphans, Setting up old age homes, day care centres and such other facilities for senior citizens. | NIL | NIL |
| 4. | Ensuring environmental sustainability | NIL | NIL |
| 5. | Rural Development Projects | NIL | NIL |
| 6. | towards development of educational infrastructure in | 0.12 | NIL |

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| | | | |
|---|---|-------------|-------------|
| | Government Schools located at Bikaner-Phalodi Highway Project | | |
| 7 | Swachh Bharat Kosh | 0.01 | NIL |
| | TOTAL | 0.13 | 0.00 |

(ii) Amount spent during year

| (Rs. in crore) | | | | |
|----------------|------------------------------------|---------|------------------------|-------|
| Sr. No. | Description | In Cash | Yet to be paid in cash | Total |
| 1. | Construction/acquisition of asset* | | | |
| 2. | Other purposes | 0.13 | 0.13 | 0.13 |

*Assets purchased and handed over to respective organisation and are not being held by the Company.

- 44 Certain prior periods amounts have been reclassified for consistency with the current period presentations. These reclassifications have no effect on the reported results of operations. Also, previous year figures are shown under bracket () to differentiate from current year figures.

As per our Report of even date attached

For Praveen Aggarwal & Co.
Chartered Accountants
FRN 00044N

For and on behalf of the Ircon PB Tollway Ltd



P.K. Aggarwal
Partner
M. No. 015159

Deepak Sabhlok
Chairman
DIN 03056457

Ashok Kumar Goyal
Director
DIN 05308809

Anand Kumar Singh
Director
DIN: 07018776

Sanjay Podder
(Chief Financial Officer)

M.K. Sharma
(Chief Executive Officer)

Shudodhani
Shudodhani
(Company Secretary)

Place : New Delhi

Date : 17/05/2019

IRCON PB TOLLWAY LIMITED

(A Wholly Owned Subsidiary of Ircon International Limited)

CIN NO. U45400DL2014GOI272220

Regd. and Corporate Office: C-4, District Centre, Saket, New Delhi-110017, India

Phone No.:- 011-29565666, Fax No.:- 011-26522000

e-mail id: busi.info.irconpbt@gmail.com

ATTENDANCE SLIP

Shareholders attending the Meeting in Person or by Appointing Proxy.

I hereby record my presence at the **FIFTH ANNUAL GENERAL MEETING** of the Company held at 3rd Floor, Chairman Chamber, Ircon International Limited, at the Registered Office of the Company at C-4, District Centre, Saket, New Delhi – 110017, at 1600 hrs on Monday, the 26th August 2019.

Name of the Shareholder (Member): _____
(IN BLOCK CAPITALS) (As in Company Records)

FOLIO NO. (PHYSICAL HOLDING): _____

Signature of Shareholder: _____

IN CASE PROXY IS ATTENDING THE MEETING #

Name of the Appointed Proxy: _____
(IN BLOCK CAPITALS)

Signature of Proxyholder: _____

Person attending the Meeting either Shareholder/Proxyholder needs to fill, sign and submit this Form.

NOTE: Shareholder/Proxyholder desiring to attend the meeting should bring his copy of the Annual Report for reference at the meeting.

IRCON PB TOLLWAY LIMITED

(A Wholly Owned Subsidiary of Ircon International Limited)

CIN NO. U45400DL2014GOI272220

Regd. and Corporate Office: C-4, District Centre, Saket, New Delhi-110017, India

Phone No.:- 011-29565666, Fax No.:- 011-26522000

e-mail id: busi.info.irconpbtl@gmail.com

PROXY FORM (MGT – 11)

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

| | | | |
|------------------------|--|-------------|--|
| Name of the Member(s): | | Folio No. : | |
| Registered Address: | | e-mail Id: | |

I/We, being the member(s) of IRCON PB TOLLWAY LIMITED, holding number of shares, hereby appoint:

- 1) Name: E-mail id:
Address:.....
.....
Signature..... or failing him/her
- 2) Name: E-mail id:
Address:.....
.....
Signature..... or failing him/her
- 3) Name: E-mail id:
Address:.....
.....
Signature.....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 5th Annual General Meeting of the Company, to be held on Monday, August 26, 2019 at 1600 hrs at 3rd floor, Chairman Chamber, Ircon International Limited, Plot No. C-4, District Centre, Saket, New Delhi – 110017 and at any adjournment thereof in respect of such resolutions as are indicated below:



IRCON PB TOLLWAY LIMITED

(A Wholly Owned Subsidiary of Ircon International Limited)

CIN NO. U45400DL2014GOI272220

Regd. and Corporate Office: C-4, District Centre, Saket, New Delhi-110017, India

Phone No.:- 011-29565666, Fax No.:- 011-26522000

e-mail id: busi.info.irconpbtl@gmail.com

| Resolution No. | Resolution | Vote | |
|--------------------------|--|------|---------|
| | | For | Against |
| Ordinary Business | | | |
| 1. | Adoption of Audited Financial Statements together with the Report of the Board of Directors and Auditors for the financial year ended March 31, 2019 | | |
| 2. | Approval for fixing Remuneration of Statutory Auditors of the Company | | |
| Special Business | | | |
| 3. | Ratification of Remuneration of Cost Auditors for FY 2018-19 | | |
| 4. | Ratification of Remuneration of Cost Auditors for FY 2019-20 | | |

Signed thisday of2019

Affix
Revenue
Stamp

Signature of Shareholder:

Note:-

1. This form of Proxy in order to be effective should be duly completed and deposited at the Registered Office at C-4, District Centre, Saket, New Delhi - 110017, not less than 48 hours before the scheduled time of the meeting.
2. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company. A member holding more than ten percent of the total share capital of the Company may appoint a single person as a proxy and such person cannot act as a proxy for any other person or shareholder.
3. It is optional to put a "X" in the appropriate column against the Resolutions indicated in the Box. If you leave the "For" or "Against" column blank against any or all resolutions, your proxy will be entitled to vote in the manner as he / she may deem appropriate.



IRCON PB TOLLWAY LIMITED ('IrconPBTL')
(Bikaner-Phalodi Highway Project, NH-15, Rajasthan)

Registered & Corporate Office:
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